

**FBIS****DAILY REPORT  
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Vol I No 250

30 December 1985

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PRC INTERNATIONAL AFFAIRS  
GENERAL

A 1

HU QILI ON CPC FOREIGN RELATIONS, EUROPE VISIT

HK300826 Beijing RENMIN RIBAO in Chinese 30 Dec 85 p 4

[Report by XINHUA reporters Yu Jiafu and Li Zhigao: "We Indeed Have Friends All Over the World -- Hu Qili Interviewed on His Visit to Yugoslavia and the FRG and on the CPC's External Activities"]

[Text] With 1985 about to draw to a close, XINHUA reporters paid a visit to Comrade Hu Qili, member of the Political Bureau of the CPC Central Committee and member of the Central Secretariat. He answered a number of questions from reporters.

Question: This year, you have visited Yugoslavia, the FRG, and other countries at the invitation of a number of foreign political parties. Please give us your impressions of these visits.

Answer: In November, as commissioned by the CPC Central Committee, at the invitation of the League of Communists of Yugoslavia and the FRG Social Democratic Party, I paid visits to Yugoslavia and the FRG. I was accorded a warm and friendly welcome which made an excellent impression on me.

I have always had profound affection for Yugoslavia, world-renowned as an heroic country. I further deepened this impression during my visit. We had an unconstrained [wu ju shu 2477 2153 2631] and thorough exchange of views and experiences with the leaders of the League of Communists of Yugoslavia on domestic socialist construction and international problems of common concern and also on further developing the ties of friendship and cooperation between the two parties. This visit strengthened the traditional friendship between the two parties and the people of the two countries. During my visit I was happy to see that the Yugoslav people are now overcoming various difficulties on their way ahead and are working to further perfect and develop the socialist autonomy system.

From Yugoslavia, the members of the delegation and I traveled north to the FRG, an economically developed country. We visited a nuclear power station, a coal liquefaction plant, and some enterprises connected with Sino-German cooperation projects, and had contacts with people of various circles. Although this was only a cursory visit, it made an unforgettable impression on me. In particular, we held long and friendly talks with Social Democratic Party Chairman Brandt and other leaders and had a full exchange of information and views on international problems of common concern and on bilateral issues. I also had meetings with Chancellor Kohl and Vice Premier and Foreign Minister Genscher. The two sides declared they would further strengthen friendly cooperation in economics, technology, and other fields. As a result of this visit, I vividly felt that economic ties between China and the FRG have entered a new stage of substantial and solid development.

Apart from this, in May, I accompanied General Secretary Hu Yaobang on his visits to Australia, New Zealand, Papua New Guinea, Fiji, and Western Samoa. We were warmly welcomed by our hosts. This visit too made an excellent impression on me.

Question: Can you discuss the special features of the CPC's external exchanges this year?

Answer: During the year about to end, our party's external activities were more extensive and lively than in previous years, and also more productive. Now, as General Secretary Hu Yaobang has said, we indeed have friends all over the world.

Nearly 200 friendly and progressive political parties throughout the world have established various forms of ties with our party. During this year, at least 30 or 40 principal leaders of various friendly political parties visited China. Comrades Hu Yaobang, Deng Xiaoping, Zhao Ziyang, and others have held friendly meetings and talks with the leaders of these parties, which have promoted mutual understanding and friendship and boosted cooperation for preserving peace and developing economic ties. Many friends are concerned for the cause of reform in China, and appreciate our peaceful foreign policy of acting independently and keeping the initiative in our own hands. We greatly thank our friends in various countries for this support. The CPC has also dispatched various delegations abroad at the invitation of a number of political parties. They have paid return visits to a number of parties and attended party congresses, party festivals, and party press festivals, and so on.

Question: What do you think is the significance of developing inter-party relations for easing international tensions and preserving world peace?

Answer: As everyone knows, preserving world peace is the issue of greatest current concern to the peoples of the world. Of all the political parties in the world that do not wish to go against the people's aspirations, be these parties communist, socialist, social democratic, or labor parties, and political parties in the Third World countries, the great majority are working and struggling for detente, disarmament, and peace. This is one of their greatest points in common. A major goal of our party in establishing, reviving, or developing various forms of ties with friendly political parties of all categories is to work together to preserve world peace by means of thorough exchanges of views between political parties. Practice has proven that this is an effective way of preserving world peace. For example, leaders of the Chinese and Korean parties have frequently held consultations on easing tensions on the Korean peninsula. This action has helped to preserve peace and stability in the Asia-Pacific region.

Question: Regarding youth work, how can the political parties of other countries serve as an example for us?

Answer: Each country has its own youth problems, and each political party has its own youth work; I think they are completely different, or not completely similar. The so-called youth problem in our country is mainly that of how to create still better study, work, and living conditions for them, and to teach young people to strive to improve their cultural knowledge and grasp of science and technology, and to rouse themselves, invigorate China, and have ideals, morality, and discipline. The older generation has entrusted the younger with the future of the country. Some parties, including ruling parties and parties not in power have created many fresh and lively forms of youth work and accumulated valuable experience. We should seriously study them and refer to them. In recent years, under the advocacy of Comrades Yaobang and Ziyang, we have invited large numbers of people from Japan, New Zealand, the United States, France, and Korea to visit China. We have also sent many young people on visits to Japan. I think this is a good way of strengthening friendship between the youth of different countries and of exchanging experiences in youth work.

Question: Please tell us what are the differences between the CPC's developing of relations with other communist parties and its developing of relations with socialist, social democratic, and labor parties abroad? What are the CPC's guidelines for handling relations with political parties in Third World countries?

Answer: Comrade Hu Yaobang explicitly spelled out in his report at the 12th CPC Congress our program and guidelines for developing or establishing ties with these political parties.

In order to preserve world peace, strengthen the friendship of the peoples of different countries, and promote the cause of the progress of mankind, our party wishes to establish and develop relations with all friendly and progressive political parties in the world. We have four basic guidelines for handling relations with different political parties: Acting independently and keeping the initiative in our own hands, complete equality, mutual respect, and mutual noninterference in internal affairs. The development of relations between our party and other communist parties is based on Marxism. In its ties and exchanges with socialist, social democratic, and labor parties, the CPC practices the principle of "surmounting the differences in ideology and seeking mutual understanding and cooperation." Our party attaches very great importance to developing friendly ties with political parties in Third World countries. This is beneficial for strengthening solidarity and cooperation between China and Third World countries and also for preserving world peace and promoting economic development. The four guidelines we emphasize are being understood and appreciated by more and more friendly and progressive political parties in foreign countries.

Question: Please review the prospects for relations between the CPC and other communist parties and other political parties in 1986.

Answer: In the new year, the CPC and the Chinese people will continue to actively take part in the struggle of the world's people to preserve peace and oppose the arms race. We will also take part in the UN International Year of Peace activities.

While upholding the Five Principles for Peaceful Coexistence between states, we will continue to support the Third World countries and peoples in their struggles to oppose external interference, to oppose expansionism, to oppose racism, to uphold their national independence and sovereignty, and to strive to establish a new international economic order and to achieve social progress.

On the basis of the four guidelines for relations between parties, we will further launch the party's external activities, including further developing friendly and cooperative ties with foreign communist parties and other political parties. I believe that this work will be done even better, more extensively, and more soundly next year.

#### XINHUA 'YEAR-ENDER' ON PROSPECTS FOR WORLD PEACE

OW281809 Beijing XINHUA in English 1638 GMT 28 Dec 85

[**"Year-ender -- The Prospects of Peace Viewed From the Current World Situation"** -- (by Tang Tianri) -- XINHUA headline]

[Text] Beijing, December 28 (XINHUA) -- If peace is a common aspiration in the world, then the most important question before us today is: How can we reduce the dangers of war and increase the chances for peace?

In light of the international situation in 1985 the answer seems to lie in the de-escalation of the arms race paralleled by a reduction in regional conflicts.

The danger of a new world war comes mainly from the superpowers' worldwide scramble for supremacy coupled with the ongoing arms race. This scramble takes many forms but is most visible in the continuing support each of the superpowers gives to regional conflicts throughout the world. From Vietnam to Israel, from Nicaragua to Afghanistan to South Africa, both the United States and the Soviet Union are vying for spheres of influence while pursuing hegemony. This situation has inevitably led to serious confrontation between the two sides. However, neither the U.S. nor the Soviets dare direct conflict.

The risk of nuclear war is too great. Their relations must be tempered by frequent dialogue as both U.S. President Ronald Reagan and Soviet Secretary General Mikhail Gorbachev recently made known at the Geneva summit in November. Both sides will certainly continue to compete for world supremacy but they want the competition kept under control through dialogue. This tactic, however, has yet to yield any observable lessening of tensions.

It would be premature to think that the U.S.-Soviet summit will bring the world a 'new era of peace', and it must be realized that the superpowers are acting in their own self-interest when they talk of 'peace'. Real and lasting peace is a world concern and not the monopoly of the powerful.

On the occasion of the 40th anniversary of the United Nations, medium and small countries made use of this important international body. They called for arms control and strongly condemned the superpowers for their policy of aggression and expansion. More than 60 arms control resolutions were passed during the current U.N. session. As well, the session passed two resolutions by unprecedented majorities on Afghanistan and Kampuchea. The resolutions called for the withdrawal of foreign troops from these territories. In southern Asia, Afghan resistance forces have thwarted Soviet expansionist moves toward the Indian Ocean. In Kampuchea, the national Army is preventing Vietnamese intruders, backed by the Soviets, from exerting a dominating influence in continental South East Asia. And in Central America, Nicaragua along with the Contadora Group of countries, is attempting to find a peaceful solution to its conflict with U.S. backed rebels known as 'Contras'.

In the past year the people of the Arab countries have realized that it is of no use to count on either superpower to solve the Middle East issue. The signing of the agreement between Jordan and the Palestine Liberation Organization, the lessening of tensions between Jordan and Syria and the proposal of an international conference to solve the Middle East issue show that the only way to true peace in the region is not through efforts by outside forces but by dispelling suspicions and strengthening unity.

The ever increasing independence of the allies of both the U.S. and the Soviet Union especially in the economic sphere, is influencing superpower behavior. Calls by both Eastern and Western European allies for a general arms reduction and a lower level balance of power have yielded positive results. This can be seen from the resumption of the mutual balance of forces reduction talks in Geneva.

Most importantly, however, active trade cooperation and a general loosening of European borders between East and West have resulted in pressure being put on the two sides to de-escalate tensions. Both the United States and the Soviet Union are seeing their Warsaw Pact and NATO allies favoring dialogue to confrontation and closer economic ties rather than ideologically self-imposed economic quarantine.

Conciliatory moves by the two superpowers are not only the concern of their allies but also of China. China, which pursues a peaceful foreign policy, has an important influence in the peace process. It not only calls for a general de-escalation of the arms race but also for an end to expansionist and aggressionist policies by both superpowers. With the world's peace-loving forces growing in strength, it is possible to win a long period of peace for mankind.

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PRC INTERNATIONAL AFFAIRS  
UNITED STATES

B 1

EX-AMBASSADOR CHAI ZEMIN REVIEWS SINO-U.S. TIES

OW301050 Beijing XINHUA in English 1029 GMT 30 Dec 85

[Text] Beijing, December 30 (XINHUA) -- The former Chinese ambassador to the United States greeted the New Year today with a wish for more contacts between Chinese and Americans and continued growth of Sino-U.S. relations.

Chai Zemin, now vice-president of the Chinese People's Institute of Foreign Affairs, told XINHUA in a year-end interview that he was pleased to see the steady improvement in Sino-U.S. relations in 1985. He said that the exchange of visits by top leaders had helped enhance relations. He also mentioned U.S. President Ronald Reagan's recent approval of the Sino-U.S. nuclear energy agreement and his veto of the protectionist bill. The bill would have cut exports of textiles, shoes and copper to the United States by setting strict quotas. Chai also praised the U.S. Government's decision to relax restrictions on exports to China.

"These are positive steps that will expand economic and technical cooperation and trade between China and the United States," said Chai, who served as chief of China's Liaison Office in Washington in 1978 and then as China's first ambassador to the U.S. for four years. Chai, 69, had previously served as ambassador to Hungary, Guinea, Egypt and Thailand. Recalling his experience in the United States, he said from his wide contact with senior officials and people from various walks of life he had learned that the "Americans are eager to know about China and make friends with the Chinese."

Since leaving Washington at the end of 1982, Chai has continued to promote the development of Sino-U.S. relations and has received a large number of visitors from the United States, including former secretaries of state and members of Congress. "I am a witness to Sino-U.S. relations," said Chai, "so I know only too well that the present status of relations constitutes major progress from the two-decade era of confrontation. It is the result of sustained efforts by people both inside and outside the governments of the two countries, something worth treasuring by both sides."

In reality, he continued, there still exist problems in Sino-U.S. relations and efforts on both sides are needed to settle them. "The biggest problem is the question of Taiwan which, if not properly handled, would affect the steady development of Sino-U.S. relations," he said. However, he stressed, differences can be narrowed or eliminated and the relations can grow, provided the two sides respect each other, earnestly act on the principles stipulated in the three joint communiquees guiding the bilateral relations and have open-minded discussions from time to time.

To this end, Chai Zemin said, more people-to-people contacts and deeper mutual understanding are of "primary importance." Therefore, he welcomed more Americans including congressmen to China in the new year. "Once in China," he said, "our guests can see with their own eyes what the Chinese are doing in the modernization drive, in the effort to reunify Taiwan with the motherland in a peaceful way and in safeguarding world peace."

Discussing reunification of Taiwan with the mainland, Chai Zemin said that the "one country, two systems" concept advanced by the Chinese Government points out a realistic road to peaceful reunification. "We hope that the U.S. Government would adopt a positive attitude toward our peaceful reunification efforts and refrain from doing anything that may obstruct such efforts," he said.

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PRC INTERNATIONAL AFFAIRS  
UNITED STATES

EXCHANGE OF NUCLEAR ENERGY PACT INSTRUMENTS

OW300904 Beijing XINHUA in English 0855 GMT 30 Dec 85

[Text] Beijing, December 30 (XINHUA) -- Chinese Vice Foreign Minister Zhu Qizhen and U.S. Ambassador to China Winston Lord exchanged instruments here today on the Sino-U.S. agreement concerning cooperation on peaceful uses of nuclear energy, notifying each other of the completion of the domestic legal procedures for the agreement which comes into force on the same day. The two sides congratulated each other on the coming into force of the agreement and stated that the two sides would strictly abide by and fulfil the provisions of the agreement, so that there will be smooth progress in Sino-U.S. cooperation on peaceful uses of nuclear energy. The Sino-U.S. nuclear energy cooperation agreement was signed in Washington on July 23, 1985.

SCIENTIFIC RESEARCH SHIP ARRIVES IN HAWAII

OW290900 Beijing XINHUA in English 0851 GMT 29 Dec 85

[Text] Beijing, December 29 (XINHUA) -- XINHUA correspondent on board the Chinese scientific research vessel, the Xiangyanghong 14, reported that the vessel called at Honolulu, Hawaii, on December 27, the first stop in a four-year Sino-U.S. joint survey of the abnormal phenomena in world weather patterns. The 4,400-ton ship set sail from Huangpu harbor in Guangzhou on December 12, taking along 10 Chinese scientists and 40 research workers. It will pick up nine U.S. scientists and sail southward to Johnston Atoll to conduct studies along the equator. It will pass through the Phoenix Islands, the Marshall Islands and the Solomon Islands, and finally return to Guangzhou through the Bashi Channel.

The study was the largest cooperative scheme in the field of marine science and technology between China and the United States, said Wang Zhongshan, head of the Chinese survey team on board the ship. Earlier cooperation was carried out between 1980 and 1982 when the scientists of the two countries explored the sediment process in the estuary of the Yangtze River, China's longest.

Wang, 50, who has devoted 25 years to oceanographic studies, said that China has cooperated with Canada, France, Japan, the Soviet Union, the Democratic People's Republic of Korea in oceanographic surveys and expressed the hope that more of such cooperation will be carried out in the future in order to contribute more to raveling the mysteries of nature and benefiting the mankind. Wang took part in the first global atmospheric experiment organized by the World Meteorological Organization and the International Council of Scientific Unions in the equatorial Pacific in 1979.

He said that Chinese and American scientists aboard the ship will analyse currents, temperature and salinity in different water depths and observe the weather conditions at the sea surface and in the atmosphere in a bid to bring light to the laws governing the long and medium range changes of oceanic and atmospheric conditions during their interactions with each other and uncover the secrets of the planet's intricate weather patterns.

Wang told XINHUA that China owns a research fleet of 165 vessels, the fourth largest after the U.S., U.S.S.R. and Japan, and about 25,000 people are engaged in oceanographic studies. The Xiangyanghong 14 is scheduled to leave Hawaii on January 6, 1986 after being reprovisioned and equipped with U.S. research facilities.

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PRC INTERNATIONAL AFFAIRS  
SOVIET UNION

C 1

BEIJING RUSSIAN COMMENTATOR REVIEWS YEAR'S EVENTS

OW300118 Beijing in Russian to the USSR 1800 GMT 29 Dec 85

[ "International Life" program]

[Text] Dear Soviet listeners, you will now hear the last 1985 issue of the "International Life" program. This time, along with our radio commentator, Comrade (Hung Bo) will talk about the international situation in the outgoing year and prospects for the coming year.

[(Hung Bo)] Reviewing the general international situation in 1985, we note that the main characteristic of the current international situation are that the superpowers continue the arms race, that none of the problems of regional hot-spots have been solved, and that the danger of a world war has not yet disappeared; on the other hand, the forces of peace are growing, and their growth is faster than that of the forces of war. Compared with 1984, there has been some softening in the overall international situation in 1985. International tension arose mainly because of the arms race between the two superpowers. They have already spread the arms race to space. SDI, the so-called star wars program proposed by Reagan, has further intensified confrontation between the Soviet Union and the United States. Fierce confrontation between them raises the threat of nuclear war for all humanity. The people of the world, and especially those in Europe, where conflicts may arise between the two superpowers, resolutely demand that they stop the arms race, and especially the nuclear arms race, and ensure good relations between East and West as well as between themselves. At the beginning of the current year, the USSR foreign minister and U.S. secretary of state held talks in Geneva, after which Soviet-U.S. arms control talks were resumed. In November, after a 6-year break, the Soviet-U.S. summit meeting was held in Geneva; but it failed to bring the two countries to a unity of views on the key issues of space weapons, nuclear disarmament, and regional conflicts. Nevertheless, the people of the world welcome the softening of relations between the Soviet Union and the United States. Facts show that the United States will not give up its SDI and that the Soviet Union will take appropriate countermeasures in case of the implementation of the U.S. program. This will inevitably lead to a qualitative change and constant escalation of military competition between the two superpowers. We therefore say that the danger of a world war is not yet averted. This greatly concerns the people of the world. They demand that the two superpowers, in the name of preserving peace in the world, really give up their claims to military superiority and hold serious talks to achieve agreement, not encroaching on the interests of other countries, for a real detente in the international situation.

The 40th anniversary of victory in the world anti-Nazi war was marked this year. The people of various countries remembered the great significance and historic experience of victory in that war, deeply understanding that the defense of world peace is the current task facing humanity.

At the October celebrations connected with the UN's 40th anniversary, a declaration was adopted, and the year 1986 was proclaimed an International Peace Year. This reflects the cherished and sincere aspiration of all people to defend peace throughout the world. In the outgoing year, Third World countries insistently demanded a softening in international tension, and a just and rational solution to international and regional problems. European countries, Japan, and other developed countries also want a softening of relations between East and West. They want to exercise their independence and sovereignty in the struggle against the arms race and war. The aspiration of the people of the entire world, including the people of the Soviet Union and the United States, for peace is an invincible historic movement, a power force holding back war. In the New Year, voices in defense of peace throughout the world will be heard even louder.

The year 1985 still drew general attention to developments in hot spots in Asia, Africa and Latin America. In Asia, the struggles of the Cambodian and Afghan peoples against foreign aggressors are now entering their eighth and seventh years respectively. At the beginning of the current year, Vietnamese aggressors started large-scale punitive operations against the bases of the three patriotic forces in Cambodia. Soviet troops also carried out repeated large-scale offensives against Afghan partisan groups. Yet, they all failed to achieve their objectives. As to Israel, after announcing its decision on the total withdrawal of troops from Lebanon, it sent troops to invade the country, and aircraft to bomb PLO headquarters in Tunis. There is no sign of the Iran-Iraq war abating. In Africa, the struggle of the South African people against the racist regime is developing rapidly. South African authorities took repressive measures, and impudently executed black freedom fighter Molosi. The Namibian people's aspiration for independence has not yet materialized. This year, because of U.S. obstacles [words indistinct] signing of a peace agreement in Central America, proposed by the Contadora Group.

[Question] Comrade (Hung Bo), what, in your opinion, will be the course of development of events in hot spots next year?

[(Hung Bo)] The existence of hot spots is one of the important sources of international tension and insecurity in the world. The people of the world are seeking to eliminate hot spots. The Chinese Government and the Chinese people always support solving all international arguments by peaceful negotiations, on the basis of equality and absence of any kind of foreign interference, according to the Five Principles on Peaceful Coexistence, and against the use of force or threat of force. I think the future course of development in hot-spot regions will depend, to a considerable extent, on the two superpowers. If they do not give up their policy of aggression, expansion, and interference, then it will be difficult to solve the problems of these regions in a just and rational manner.

China's diplomatic activity in 1985 developed from day to day. This year, Li Xiannian, PRC president, visited Burma, Thailand, Canada, and the United States. Hu Yaobang, general secretary of the CPC Central Committee paid visits to the DPRK and the South Pacific island states. Zhao Ziyang, premier of China's State Council first paid visits to the United Kingdom, the FRG, and the Netherlands, and then to four Latin American states. During his visit to Latin America, China's premier reiterated that China believes Central American issues should be solved by the people themselves and only themselves, in a given region. This year, China established diplomatic relations with Bolivia, Grenada, and Nicaragua. This is viewed by the international community as important progress in Chinese diplomacy with respect to Central America. Friendly relations and cooperation between China and many states were further developed.

In addition, with the further development of multilateral relations of friendship and cooperation between China, Romania, and Yugoslavia, there was a deepening of mutual understanding and confidence between China, the GDR, Poland, Hungary, Czechoslovakia, and Bulgaria. China's trade turnover with these states reached a record high. In addition, China, for the first time, concluded long-term 5-year trade agreements with them.

[Question] Comrade (Hung Bo), could you tell us what was the state of Sino-Soviet relations in 1985?

[(Hung Bo)] Relations between China and the Soviet Union in 1985 expanded to a large extent, especially in economic and trade relations. The agreement on trade turnover and payments for 1986-1990, signed by both sides, established a basis for a stable and long-term development of their economic-trade relations. Recently, Gorbachev, general secretary of the CPSU Central Committee met Li Peng, vice premier of the PRC State Council, who made a short stop in Moscow after completing visits to France, Czechoslovakia, and Bulgaria.

In the outgoing year, visits were exchanged by parliamentary delegations of the two countries. This led to the renewal of relations between the parliaments of the two countries after a break of many years. In addition, there has been an increase in contacts in other fields. A clear example is the exchange of tours by the Chinese National Ballet [words indistinct] to the Soviet Union and the Moscow classical ballet to China. We are certain that next year relations between the peoples of the two countries will be further developed. It is very regrettable, however that up to now there has not been a radical improvement in Sino-Soviet relations. We hope that, through the efforts of the two sides, in the near future, obstacles in the path of normalization of relations are overcome and goodneighborly and friendly relations are established between the two countries on the basis of the Five Principles of Peaceful Coexistence.

BEIJING RUSSIAN ON U.S.-SOVIET RELATIONS IN 1985

OW280239 Beijing in Russian to the USSR 1900 GMT 26 Dec 85

[Text] Dear Soviet listeners, here is our roundup on U.S.-Soviet relations in the outgoing year. The U.S.-Soviet talks on nuclear disarmament held in Geneva at the end of 1983 led to a hopeless situation in U.S.-Soviet relations in the following year.

In 1985, U.S.-Soviet relations entered the stage of both confrontation and dialogue. At the beginning of January this year, the U.S. and Soviet foreign ministers, at their talks in Geneva, reached an agreement on the resumption of U.S.-Soviet talks on arms control in Geneva on 12 March.

After an interruption of 5 years, a U.S.-Soviet summit meeting was held in Geneva in November. Confrontation between the United States and the Soviet Union is manifest, first in the arms race and especially in the issue of space weapons.

The United States is pushing SDI in every way and the Soviet Union is resolutely opposing it. The United States thinks that the Soviet Union is also engaged in the development of its space weapons and that it started earlier than the United States.

This year, the United States and the Soviet Union held only three rounds of arms control talks in Geneva and failed to achieve any results. The Soviet Union, from the very beginning of the talks, stressed the need to organically link the issues of reducing strategic and intermediate-range nuclear arms and preventing the militarization of space. The United States thinks that all these are the Soviet Union's preliminary conditions, and emphasizes that separate agreements can be reached on these three issues.

The Soviet Union is aiming to undermine the U.S. SDI program by way of nuclear arms reductions, and the United States wants to preserve SDI and reduce to nil the Soviet Union's superiority in the field of land-based missiles. It is reported that, during the meeting between the two countries' leaders, strong arguments developed around the SDI issue and that the meeting almost failed for this reason. Gorbachev told Reagan -- we shall be able to quickly find countermeasures if the United States persists in implementing SDI. That means that both the United States and the Soviet Union will make no concessions in the struggle for superiority in space. SDI will remain the focus of their struggle for a relatively long period in the future.

During the past year, the United States and the Soviet Union submitted many proposals around the issue of nuclear disarmament. The Soviet Union, for instance, has made proposals like establishing a moratorium on the deployment of intermediate-range missiles in Europe and on nuclear tests, and reducing by 50 percent nuclear weapons aimed at each other's territory. The United States expressed a desire to invite Soviet experts to the United States to attend nuclear tests; a proposal for a radical reduction of offensive arms, for giving up giving up preference (preimushchestvo) to first strike forces. According to observers all their proposals pursue propaganda aims.

In the joint statement published after the summit, both sides expressed their readiness to achieve progress as quickly as possible in 50 percent reduction of nuclear arms, and reach temporary agreements on intermediate-range missiles in Europe. Meanwhile, there still are great differences between them in the understanding of the formulation of strategic nuclear arms and in their views about the share of the various warheads of sea, land and air-based strategic nuclear missiles in the total permitted level of nuclear warheads. Though their positions on the issue of intermediate-range missiles differ widely, they have softened somewhat, but they have not yet eliminated some long-standing differences in issues like counting the British and French missiles in the total number of U.S. missiles. On 19 December, the Soviet Union proposed to the United States and Britain a resumption of trilateral talks on a total freeze of nuclear tests. Simultaneously, the Soviet Union, for the first time, invited U.S. experts to visit a Soviet underground nuclear test site. In its turn, the U.S. Government welcomed the reciprocal initiative concerning nuclear test sites in both countries, nevertheless it rejected the moratorium on nuclear tests as a condition for implementing the above-mentioned reciprocal inspection. This means that the United States and the Soviet Union still insist on their nuclear disarmament views. It is thought that in the issue of arms control, the two countries may achieve some little insignificant compromises, but their differences in key issues will exist for a long time. Facts of a confrontation between the two over regional problems were also reflected at the summit. The United States accused the Soviet Union of expansion in Third World countries, and the Soviet Union rebuked the United States for actions in Central America and in the Middle East. The Soviet Union declared that it would continue to support the national liberation struggle, and the United States expressed its determination to continue support for the cause of liberty.

Despite the fierce confrontation between the two countries, neither side wants confrontation to reach disaster proportions. The voice of the world people for peace and against war is becoming more powerful. It has now become an irrepressible, historic trend. The concern and disagreement expressed openly or secretly by U.S. and Soviet allies concerning the growing escalation of the arms race, U.S. and Soviet economic troubles, Reagan's desire to create an image of a peaceful president during his second term, the desire of Gorbachev, who has recently come to power, to win time for regulating domestic and foreign policy, all these factors have forced the United States and the Soviet Union to sit at the negotiating table and reduce tension.

In addition to the arms control talks and summit meeting, this year, the United States and the Soviet Union exchanged visits of parliamentary delegations, held many rounds of foreign ministerial talks, and resumed the work of the U.S.-Soviet Joint Trade Commission after a 7-year break. In the joint statement published after the Geneva summit meeting, both sides confirmed the importance of regular dialogue, and decided that Gorbachev and Reagan would exchange visits in 1986 and 1987; and that the foreign ministers and other officials of the two countries would hold regular meetings.

It is thought that it is still difficult to change the existing situation, and that the two countries, competing with each other, would continue to struggle for superiority. While opposing each other, they are trying to prevent confrontation from getting out of control. While holding dialogue, they do not ignore facts.

The world community's reaction to the Geneva summit shows that the people of all countries welcome the continuation of dialogue between the United States and the Soviet Union, and hope that they will conduct their talks in a businesslike manner, and will reach an agreement on stopping the arms race, and especially on the demilitarization of space, without harming the interests of other countries.

YEAR-ENDER VIEWS STRUGGLING SOVIET ECONOMIC GROWTH

OW281418 Beijing XINHUA in English 1339 GMT 28 Dec 85

[*"Year-ender: Soviet Union Trying To Speed Up Economic Growth (by Shen Yiming)" -- XINHUA headline*]

[Text] Moscow, December 28 (XINHUA) -- The Soviet Union has taken drastic steps in 1985 to restructure its economic management system in an apparent attempt to speed up its slow economic growth, an issue of prime importance among the country's home affairs. As Moscow has admitted, "certain difficulties have been felt in the economic development" of the country since the late 1970s. Its economic growth rate, which had trudged along at a low pace for many years, dropped more than once to the lowest point in history. It recovered by only 2.6 percent in 1984.

Since taking office on March 11 as general secretary of the Soviet Communist Party, Mikhail Gorbachev has given his greatest attention to home affairs. The revitalization of the sluggish economy is his number one domestic priority. Intensification of production has been regarded as the only feasible way to realize this goal, with the speeding up of scientific-technological progress used as the main lever to reorient the national economy towards an intensive way to economic development. Gorbachev has repeatedly emphasized the need to take immediate measures, including the integration of science and technology and production, to expedite the development of new techniques and to change the backwardness in microelectronics and other areas.

Main attention has been paid to the restructuring of the economic system in the Soviet Union this year. In a spring meeting with a group of enterprise managers, Gorbachev stressed the need to conduct an all-round reform of the economic mechanism rather than make partial changes.

The economic reform, as Gorbachev demanded, has been carried out on the basis of strengthening centralism in management and planning. In the meantime, the need to expand the independence of industrial complexes and enterprises and put them fully on a cost-accounting basis and to reduce sharply the number of centrally set plan assignments has been discussed repeatedly. Up to now, a large-scale economic experiment has been carried out in more than 2,500 industrial enterprises and it is scheduled to spread to the whole country in 1987 with a view to creating a new economic management system.

To meet the demands of accelerating economic growth, the Soviet Union has also made great efforts to streamline the administrative system in the economic departments and remove redundant links. For instance, the Presidium of the Supreme Soviet, the country's parliament, decided in November to merge six agriculture-related ministries into a state agro-industrial committee. In addition, adjustments have been also made in investment and capital construction policies.

In order to strengthen leadership in social and economic development, Gorbachev has made great changes in Soviet party and state structure. On July 1 Grigoriy Romanov was relieved of his posts as Politburo member and secretary of the Central Committee while 57-year-old Eduard Shevardnadze, former first party secretary in the southern republic of Georgia, was promoted to full membership of the Politburo.

On the following day, veteran diplomat Andrey Gromyko was elected Soviet president and Shevardnadze was appointed as new foreign minister. Two months later, 80-year-old Soviet Premier Nikolay Tikhonov was replaced by Nikolay Ryzhkov who had served as party secretary responsible for running the Soviet economy since Gorbachev became party leader. Ryzhkov, 55, is the youngest head of the Soviet Government in three decades.

Another important reshuffle took place just a few days ago when Viktor Grishin, Moscow Communist Party chief since 1967, lost his job. To date, a third of the 12-member ruling Politburo and half of the six-man Secretariat of the Central Committee are newly elected and Grishin, already 71 years old, is expected to be the third person removed from the Politburo. The other two were Grigoriy Romanov and Nikolay Tikhonov.

Of the Soviet Government, two first deputy premiers, four deputy premiers and 24 of the 60 government ministers have been replaced. A series of leadership changes have also taken place in the country's 15 republics and in the Army. Meanwhile, Gorbachev has taken steps to improve social order, enhance labor discipline and raise production. The most impressive is the nationwide campaign against alcoholism which the party has described as "a great danger to society."

Gorbachev's new policies are reported to have produced some results. According to official statistics, industrial production in the third quarter of this year increased by 5 percent compared with the same period last year and this year's national income and industrial output are likely to fulfill the economic plan although it is certain now that major targets of the country's current five-year economic plan will not be reached.

The Soviet press recently published a draft plan for economic development for 1986-1990 and through the year 2000. Its aim is to speed up economic development in the next five-year plan period, and double the national income and industrial potential by the end of the century.

Despite the progress made in the Soviet Union this year, the Soviet leadership is still facing serious social and economic problems. The Soviet media has pointed out that there exist obstacles to economic reforms. The crushing weight of bureaucracy and selfish departmentalism still encumbers party and government officials, impeding anything but slow economic recovery. Tremendous efforts are needed to further improve economic management, accelerate scientific and technological progress, boost troublesome agricultural production and raise people's living standards.

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LI MENGHUA HOPEFUL ABOUT KOREA OLYMPICS ISSUE

OW290916 Beijing XINHUA in English 0910 GMT 29 Dec 85

[Text] Beijing, December 29 (XINHUA) -- Li Menghua, minister of the Chinese State Physical Culture and Sports Commission, today expressed the hope that the coming talks in Lausanne on the joint holding of the 1988 Olympic Games by both sides of Korea would produce positive results.

In a letter to Kim Yu-sun, chairman of the Physical Culture and Sports Guidance Committee of the Democratic People's Republic of Korea, Li Menghua said that their proposal on the joint holding of the Olympic Games merits "serious attention."

"On September 19, Chinese Olympic Committee President Zhong Shitong pointed out in his letter to Antonio Samaranch, president of the International Olympic Committee, that the proposal, if carried out, will be beneficial to the relaxation of the situation on the Korean peninsula and the re-unification of Korea, it will also be in the interest of solving one of the problems now confronting the Olympic movement," the Chinese minister said. "Now we are glad to hear that the two sides of Korea will continue their talks on January 8 and 9 of 1986 under the presidency of the International Olympic Committee. We sincerely hope that the talks will produce positive results and the International Olympic Committee will make further efforts for the success of the talks."

ROUNDUP VIEWS SOUTH KOREAN STUDENT MOVEMENT

OW280906 Beijing XINHUA in English 0841 GMT 28 Dec 85

[("Roundup: South Korean Students' Movement in 1985 (by Gao Haorong)" -- XINHUA headline]

[Text] Pyongyang, December 28 (XINHUA) -- The South Korean students' movement has kept surging ahead in the outgoing year for opposing the political and economic policies of the authorities. Triggered off by every event and on every important occasion, the students' anti-"government" struggles have become a lingering headache for the South Korean authorities.

In February, the students held demonstrations and rallies to boycott the election of "congressmen" and demand the revision of the electoral law. In April, they voiced opposition to "President" Chon Tu-hwan's visit to the United States and asked Washington to withhold its support to Seoul. In the second half of the year, the students defied the authorities' "campus security act" and spearheaded their struggle against the economic policy of Seoul, criticising its market-opening measures under American pressure. In addition to the traditional memorial activities on such occasions as the "April 19 popular uprising" and "May 18 Kwangju uprising," those struggles kept the students' movement alive all the year round.

According to statistics revealed by the authorities, in the first academic semester beginning from March, over 1,840 anti-"government" demonstrations with some 475,000 participants took place in 85 universities, twice as many as the same period of last year. In the first month of the second semester, students of over 60 universities staged over 230 anti-"government" demonstrations.

The South Korean opposition parties and democratic personages have also waged various struggles to support the students' movement.

After holding talks on December 9 with Yi Min-u, president of the New Korea Democratic Party, well-known South Korean democratic personages Kim Tae-chung and Kim Yong-sam decided to launch a "ten million signature campaign" next year to demand the revision of the current "Constitution." Some foreign observers here noted that the confrontation with the opposition forces and students on the one side and the authorities on the other side would further intensify.

The students' movement has become well organized this year. In April, student representatives of 23 universities launched the national student union, which was later expanded to include students of 62 universities. In commemorating the 25th anniversary of the "April 19 popular uprising" and the fifth anniversary of the "Kwangju uprising," the national student union sponsored demonstrations throughout South Korea. The largest one was attended by 20,000 students.

Apart from demonstrations, students have also resorted to some more radical methods, such as the occupation of official and American agencies by force. In May, about 100 students occupied the U.S. Information Service building in Seoul for four days. On November 18, 191 students occupied the research center of the ruling Democratic Justice Party.

Whether the South Korean authorities tried to suppress the students' movement by expulsion, arrests and imprisonment or to make it subside by appeasement, the measures yielded few results or even ran counter to their desire. It is believed here that the South Korean students' movement will continue next year since their demand for national independence and social democracy is far from being met.

#### JAPAN TO SUPPLY WEAPONS TECHNOLOGY TO U.S.

OW280848 Beijing XINHUA in English 0712 GMT 28 Dec 85

[Text] Tokyo, December 28 (XINHUA) -- The Japanese and U.S. Governments yesterday signed by postage an agreement for Japan to provide the United States with weaponry technology.

Local press reports pointed out that the agreement might make Japan join the research of the U.S. Strategic Defense Initiative (SDI) program, also known as "star wars" project. The document stipulates that Washington must get Tokyo's approval before transferring the Japanese-supplied technology and consequent products to any third country or to other usages.

The U.S. Defense Department will pay for the Japanese research in this respect and the confidentiality of the Japanese papers will be protected.

According to the reports, Japan has already decided to provide the United States with the missile-tracking technique next spring after the two sides hold official talks.

#### LI PENG MEETS JAPANESE ELECTRIC COMPANY VISITORS

OW281150 Beijing XINHUA in English 1134 GMT 28 Dec 85

[Text] Beijing, December 28 (XINHUA) -- Vice-Premier Li Peng met with Koji Kobayashi, chairman of the board chief executive officer of the Japan Electric Company, and his party here this afternoon. The Japanese visitors arrived here yesterday. They will explore long-term cooperation between the two countries in electronics and communications with their Chinese counterparts.

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WU, THAI FOREIGN MINISTER AGREE ON CAMBODIA

OW271644 Beijing XINHUA in English 1625 GMT 27 Dec 85

[Text] Bangkok, December 27 (XINHUA) -- Chinese Foreign Minister Wu Xueqian and his Thai counterpart Sithi Sawetsila today met and shared an identical view that the complete withdrawal of Vietnamese troops from Kampuchea is the key to the political solution of the Kampuchean issue. In the cordial meeting the two foreign ministers focused their discussion on the Kampuchean issue. They agreed that the unity of the three factions of Democratic Kampuchea is in good condition and is being intensified. As for minor contradictions, such as those that exist in the Khmer People's National Liberation Front led by Son Sann, they can be solved through internal consultation, the two ministers said.

Referring to the military situation in Kampuchea, they confirmed that Vietnam can not subjugate Kampuchean resistance forces although that country has received aid from the Soviet Union. In the face of the current Vietnamese eighth dry season offensive in Kampuchea which is likely to extend to the Thai territories, Thailand is ready to strike back at any Vietnamese intrusion, Sawetsila explained.

Wu told the Thai foreign minister that China is on the side of the Southeast Asian nations and other countries and firmly supports the Kampuchean anti-Vietnamese struggle; he added that China believes that the three factions of Democratic Kampuchea will close their ranks and win new victories in their future struggle against the Vietnamese aggressors.

During their talks, the two men also expressed their satisfaction over bilateral relations between their countries and expected further expansion of trade and economic cooperation in the coming year. In addition, they exchanged views on Sino-Soviet relations, the Middle-East situation and other international issues of common concern. Wu and his party arrived here on December 26.

PRC-THAI ECONOMIC COOPERATION COMMITTEE MEETS

OW280029 Beijing Domestic Service in Mandarin 0300 GMT 26 Dec 85

[Text] The first meeting of the China-Thailand Joint Committee on Economic Cooperation opened in Bangkok on 25 December. The committee was inaugurated last March during President Li Xiannian's visit to Thailand. Lu Xuejian, Chinese vice minister of foreign economic relations and trade, and Praphat Limpaphan, Thai Vice minister of foreign affairs, respectively led the Chinese and Thai delegations to the meeting.

In his opening speech, Praphat said: The first meeting of the joint committee will certainly contribute to the long-term development of Thai-Chinese economic relations. Thailand is pleased with the steady development of bilateral relations in all fields. In reply, Lu Xuejian expressed the belief that the meeting will usher in a new era of economic cooperation between the two countries.

RENMIN RIBAO VIEWS SRV'S 'KINDNESS' IN CAMBODIA

HK300612 Beijing RENMIN RIBAO in Chinese 25 Dec 85 p 6

["Jottings" by Wang Zhiguang: "Is 'Kindness' Repaid With Enmity?"]

[Text] It was reported that on 15 December, some 800 soldiers of Heng Samrin's army and about 500 Cambodian civilians launched a 5-day offensive against the Vietnamese occupation troops in the western part of Cambodia. This persistent, spontaneous battle against Vietnamese aggression, with so many people participating, was unprecedented on the Cambodian battlefields.

Hanoi authorities have asserted again and again that the stay of the Vietnamese troops in Cambodia has been decided "out of consideration of a profound love for the Cambodian people" and that the "Vietnamese People's Army has sincerely helped the Cambodian people." Would this not mean that the Cambodian people, including soldiers of Heng Samrin's army, have repaid kindness with enmity, in addition to being devoid of gratitude?

Hanoi authorities claimed that "villagers in every Cambodian village welcome the stationing of the Vietnamese troops in Cambodia." Would this not mean that shooting Vietnamese troops is Cambodia's special ceremony to welcome them?

In fact, the behavior of the Vietnamese troops in Cambodia has served as a lesson by negative example for the Cambodian people. The Vietnamese troops have trampled on Cambodian territory, robbed the people of their wealth, slaughtered the masses, and forced a large number of civilians to build roads and fortifications for them. They are speeding up the Vietnamization of Cambodia, pouring a large number of Vietnamese immigrants into Cambodia, and giving enslaving education to the Cambodian people. Such examples are too numerous to cite. More and more puppet officers and soldiers are rebelling against Vietnam because they can no longer stand the oppression.

A reporter of Japan's ASAHI SHIMBUN said in his recent report from Phnom Penh that a widespread aversion to Vietnam has emerged among the Cambodian people and that "the longer the Vietnamese troops stay in Cambodia, the stronger Cambodia's national resistance will be." This has revealed the real situation.

#### XINHUA 'YEAR-ENDER' VIEWS SITUATION IN CAMBODIA

OW281931 Beijing XINHUA in English 1849 GMT 28 Dec 85

[**"Year-ender: Kampuchea, No Poker Game" -- XINHUA headline]**

[Text] Beijing, December 28 (XINHUA) -- "What is happening here is horrible. Death is a perpetual threat, and hope and confidence seem to be nowhere," wrote a Vietnamese soldier in a letter to his mother, depicting his three-year experience in Kampuchea. "I wish you every good luck in this evil battle field," blessed another before he died of a mortal wound. This is the true picture of a facet of life in today's Kampuchea after seven years of Vietnamese occupation. A guerrilla war on a country-wide scale; a notorious puppet government never recognized by the world majority; a heavy occupation force whose very existence depends on blood transfusion from a superpower -- all these combine to make the Kampuchean problem everything but Vietnam's victory.

What the Vietnamese leaders had in mind at the end of 1978 was something much more rewarding. Hanoi's powerful war machine seemed to be more than enough for crushing a neighbor like Kampuchea, whose refusal to join in a proposed "Indochinese Federation" had enraged its author beyond measure. Convinced that it could eliminate the Kampuchean resistance forces in three or four weeks, Vietnam had first favored a solution of "quick decision" and announced unhesitatingly "a decisive victory" as soon as its troops stormed into Phnom Penh, the capital of Kampuchea. Nonetheless, the outcome was little in Hanoi's anticipation. Seven years proved to be too short to accomplish a "three-week job," and Vietnam, with all its casualties and losses, found itself bogged down in a war with no "quick decision" yet in sight.

Aware of the tough situation in Kampuchea, Vietnam towards the end of last year plunged unprecedented massive troops in a new offensive along the Kampuchean-Thai border, the seventh since 1978. Yet the offensive, dubbed K-5, met with strong resistance as usual. Vietnamese troops did seize most of the bases of the three forces forming the Coalition Government of Democratic Kampuchea. They, however, failed to wipe out the effective force of the guerrillas, who, in order to preserve their strength, scattered into small groups and successfully moved into the country's interior.

Obviously, Hanoi's plan was to close off the border, through which, they believed, the resistance forces got their supply. Unlike what they did after each of the previous dry-season offensives, this time Vietnamese troops chose to stay on in border areas. Their next objective was to seize the guerrillas through mopping up operations and eliminate them lock, stock and barrel. However, neither of the goals has been achieved and will be facile.

Kampuchea's 700-kilometer border with Thailand, through all the woods, mountains and valleys, gives Vietnam too many points to keep an eye on. Guerrilla wipe-out is an even remoter scene, as Hanoi's own new tactics have changed the pattern of the war. The occupation troops are now forced to fight both inland and in border areas -- a situation that will turn out to be too costly for Vietnam to afford. And some 180,000 troops are not sufficient enough to chase the resistance units found to be anywhere but nowhere and to maintain a long supply line invulnerable to guerrillas' attacks.

On the other hand, backed up by the masses longing for a motherland free of foreign rule, the guerrilla forces have become even more active and better coordinated under the unified leadership of the Coalition Government of Democratic Kampuchea, and have geared their resistance war towards many other parts of the country, to an extent that everyone can be a foe to the Vietnamese in Kampuchea. The recent guerrilla activities in Battambang, Siem Reap, Kompong Thom, Kompong Chhnang and other areas around the Tonle Sap lake provided a case in point. Even the capital of Phnom Penh, always heavily garrisoned, is no longer a safe place. Reports of continued attacks on Vietnamese strongholds and sabotages of Vietnam-controlled railways, highways and ammunition depots have kept the invaders on tenterhooks.

Unlike the face to face fending, both of the conflicting forces in Kampuchea have some backings. The resistance receives support from the local population, and Vietnam, the superpower. The Soviet Union has so far invested a huge amount of roubles in Hanoi's adventure in Kampuchea. Soviet cargo ships keep on arriving at Kampuchean ports with large numbers of tanks, armoured vehicles, artilleries, rocket launchers and other military supplies. More Soviet-made gunships were spotted in backing Vietnamese ground troops in action. Beyond any doubt, the superpower's interference in the war-torn Kampuchea is a major reason for Hanoi's unbridled behaviour.

Well-equipped as they are, the occupation troops struggling in Kampuchea's jungle have no morale to boast of. Nostalgia, weariness of war, lack of food...have driven many disillusioned Vietnamese to defect, and even to surrender to the guerrillas. "People here are hostile," said a desperate soldier frightened by horrible deaths he had seen. "I am so tired."

On international level, the Vietnamese occupation of Kampuchea has become an issue of mounting worldwide concern. The United Nations has repeatedly adopted resolutions calling for an immediate withdrawal of foreign troops from Kampuchea. The Association of South-East Asian Nations (ASEAN) has done all it could to bring the issue to a peaceful end. The tripartite Coalition Government of Democratic Kampuchea headed by Samdech Norodom Sihanouk has received extensive support from all peace-loving countries, and a total of 114 member countries voted for the ASEAN-backed resolution this year to keep Kampuchea's rightful U.N. seat. The support was unprecedented in magnitude since the debate on Kampuchea started at the U.N. in 1979.

As long as the three resistance forces maintain their unity and remain unwavering in their commitment to free the motherland from Vietnamese occupation and colonization, the seven-year-old war will become no less fierce in the coming year. As a long time diplomat in Bangkok put it, "The more Vietnam stakes, the less it can achieve in changing the situation there." In short, the reality of today's Kampuchea is nothing like a poker game of which either side can be the winner. Hanoi is on its way to a destination that all previous aggressors have reached. An unjust war can never be won by those who start it. Unfortunately, Vietnam, once a believer of the theory, can't understand it now.

SON SANN CALLS PRC VISIT REMARKABLE SUCCESS

OW271240 Beijing XINHUA in English 1213 GMT 27 Dec 85

[Text] Bangkok, December 27 (XINHUA) -- Son Sann, prime minister of the Coalition Government of Democratic Kampuchea (CGDK), called for the strengthening of unity among Kampuchean people to resist Vietnamese aggression, the local papers reported today.

In a statement apparently (?referring) to a recent split of [words indistinct] the Khmer People's National Liberation Front (KPNLF), Son Sann said that KPNLF should concentrate on fighting the Vietnamese aggressors, and no time should be wasted on internal disputes. The internal disputes in the KPNLF were nothing serious, he said, expressing the belief that they would soon be solved satisfactorily.

He told reporters that he was gratified that the ASEAN countries, China and even European countries supported him and the CGDK. Son Sann noted that his latest visit to China was a remarkable success. He said he was reassured by Chinese leaders that as long as the Kampuchean people are united and carry on their struggle against Vietnam, China would never cease to render them assistance.

CGDK MINISTRY REJECTS PRK-SRV BORDER TREATY

OW300752 Beijing XINHUA in English 0649 GMT 30 Dec 85

[Text] Beijing, December 30 (XINHUA) -- The Foreign Ministry of the Coalition Government of Democratic Kampuchea rejected the Kampuchean-Vietnamese border "treaty" signed by Vietnam and the Phnom Penh regime, Radio Democratic Kampuchea reported today. A statement issued last Saturday by the ministry said that the treaty, in essence, was to abolish the border between Kampuchea and Vietnam, and open it to Vietnam in a vain attempt to legalize the Vietnamese emigration into Kampuchea. Now the number of Vietnamese settlers in Kampuchea has reached more than 700,000 since 1979, it added.

The statement said that the former Democratic Kampuchean Government and the Coalition Government of Democratic Kampuchea have declared many times the principle of non-recognition of any treaty and agreement signed between the Phnom Penh regime and Vietnam. It also called on the international community not to recognize such treaties and agreements.

REPORTAGE OF QIAN LIREN VISIT TO INDIATies With Congress Party

OW271853 Beijing XINHUA in English 1832 GMT 27 Dec 85

[Text] Bombay, December 27 (XINHUA) -- The Chinese Communist Party (CPC) is considering setting up relations with the Congress (Indira) Party of India, as the first CPC delegation arrived here today to attend the centenary session of the Congress (I) Party.

The delegation, led by Qian Liren, member of the Central Committee of the CPC and director of the PEOPLE'S DAILY, is expected to meet leading members of the Congress (I) Party to explore ways of developing friendly relations between the two parties. The five-member delegation includes Zhu Shangqing, deputy head of the International Liaison Department of the Central Committee of the CPC. The Chinese delegation were greeted at the airport by Ahmad Patel, general secretary of the Congress (I) Party, members of parliament and high-ranking officials. The two-day session will be inaugurated by President of the Congress (I) Party and Prime Minister Rajiv Gandhi.

Meets Gandhi

OW282001 Beijing XINHUA in English 1913 GMT 28 Dec 85

[Text] Bombay, December 28 (XINHUA) -- President of the Indian Congress (Indira) Party and Prime Minister Rajiv Gandhi today stressed the need to generate a build-India movement. Inaugurating the Congress Party's centenary celebration here with tens of thousands of participants from all over India, Gandhi recalled the history of the Indian National Congress since its birth in Bombay in 1885, with special reference to its leaders Mahatma Gandhi, Jawaharlal Nehru and Indira Gandhi. "Out of that past must arise a glorious future," he said. He called on the Congressmen to built an India to be "proud of her independence, powerful in defense of her freedom, strong, self-reliant in agriculture, industry and front rank technology."

"We are building an independent, self-reliant economy. We have already achieved much. But more hard work is required from everyone," he noted. Determined to "cleanse the party," Gandhi said "the revitalization of our organization is a historical necessity."

Gandhi pointed out that strengthening India's unity and integrity, self-reliance and eradication of poverty are the main tasks facing his party which is now the main stream of the Indian National Congress. The Congress Party which led the nation to independence now takes the country to the 21st century, he said.

About 200 delegates of political parties from over 30 countries were invited to the celebration. After the inauguration, Gandhi met with leaders of the foreign delegations including Qian Liren, leader of the delegation of the Communist Party of China.

Meets Indian Party Official

OW290146 Beijing XINHUA in English 0127 GMT 29 Dec 85

[Text] Bombay, December 28 (XINHUA) -- The delegations of the Communist Party of China (CPC) and the Congress (I) Party of India exchanged views on developing their friendly relations here this evening. The talks were held in a cordial atmosphere. The CPC delegation was led by Qian Liren, member of the CPC Central Committee and director of the PEOPLE'S DAILY. The Congress (I) delegation was led by Shiv Shankar, chairman of the Foreign Relations Committee of the Congress (I) Party.

The CPC delegation arrived here last Friday to attend the centenary celebration of the Congress (I) Party.

Meets With Foreign Minister

OW291044 Beijing XINHUA in English 1037 GMT 29 Dec 85

[Text] Bombay, December 29 (XINHUA) -- Minister of External Affairs B.R. Bhagat today expressed the hope that friendly relations and cooperation between India and China would be strengthened by joint efforts from both sides. Bhagat met and had cordial talks with the delegation of the Communist Party of China (CPC) led by Qian Liren, member of the Central Committee of CPC and director of the PEOPLE's DAILY.

The relations between the Congress (I) Party and the CPC provided another channel for strengthening bilateral ties between the two countries, he said.

Qian said that China attached great importance to the Sino-Indian relations which were not only in the interests of the two countries but also conducive to peace in Asia and the world.

WU XUEQIAN LEAVES BANGLADESH FOR THAILAND

OW261209 Beijing XINHUA in English 1144 GMT 26 Dec 85

[Text] Dhaka, December 26 (XINHUA) -- Chinese Foreign Minister Wu Xueqian left here this noon after "very fruitful and meaningful" discussions with Bangladesh leaders during his three-day visit. He announced at a press conference at the airport that Chinese President Li Xiannian will pay a state visit to Bangladesh early next year at the invitation of President Hussain Mohammad Ershad.

During meetings with Bangladesh President Ershad and Foreign Minister Humayun Rashid Chowdhury, they discussed cooperation in economic fields between the two countries and cooperation between the two Foreign Ministries, he said.

Asked if the issue of direct air flights between Dhaka and Beijing had come up in the discussions, Wu said that as foreign ministers they discussed only in general terms and the details would be left to the specialists to deal with.

He said China believes the Soviet presence in Afghanistan is a threat to it because Afghanistan is China's western neighbor and the two countries share a common border. As to the prospects of Pakistan-Afghanistan indirect talks in Geneva, Wu said a detailed "time table for Soviet pull-out from Afghanistan" should be worked out, adding "the key to the issue is Soviet withdrawal."

He is flying to Bangkok to pay a two-day visit there. Before his arrival here in Dhaka he had visited Iraq, Jordan, Syria, Egypt and the United Arab Emirates.

ERSHAD MEETS VISITING NAVAL OFFICERS IN DHAKA

OW291114 Beijing XINHUA in English 1046 GMT 29 Dec 85

[Text] Dhaka, December 29 (XINHUA) -- Bangladesh president Hussain Mohammad Ershad received here today the commanding officers of the visiting Chinese naval vessels. Two Chinese naval vessels, a destroyer and a supply ship, arrived at Chittagong port -- Bangladesh's largest sea port -- on December 26 for a five-day goodwill visit to Bangladesh. The two vessels were under the command of Nie Kuiju, commander of the East China sea fleet of the Chinese Navy. Receiving Commander Nie and two commanding officers of the visiting vessels at Dhaka today, President Ershad lauded the good relations existing between the Armed Forces of China and Bangladesh.

He said the prospect of cooperation between the two navies is bright and the visit by the Chinese naval vessels will promote this cooperation. Commander Nie said that he was deeply impressed by the morale and disciplines of Bangladesh naval officers and men during his visit and he was glad to see the rapid development of Bangladesh Navy in a short period. Commander Nie came to Dhaka yesterday and is leaving for Chittagong today.

PAKISTAN PRIME MINISTER VIEWS TIES WITH PRC

OW290912 Beijing XINHUA in English 0903 GMT 29 Dec 85

[Text] Islamabad, December 29 (XINHUA) -- Pakistan Prime Minister Mohammad Khan Junejo said here last night that Pakistan is proud of its friendship and cooperation with China.

In his speech at the close of the foreign policy debate in the parliament, Junejo said that China has consistently condemned aggression and praised co-existence, opposed coercion and domination, and supported the equality of rights. "This great country has acted in an exemplary manner in favor of just, equitable and mutually beneficial international relations, and it is natural, therefore, that China should be viewed with respect and appreciation," he added.

He told the parliament it was for this reason that he had decided to undertake his first foreign tour to China after assuming office as prime minister. He said his conversations with the Chinese leaders during his China visit had reinforced his conviction that "Pakistan-China friendship is not only in the interest of our two countries and peoples but also contributes to peace and stability of our region." My government will make greater efforts to expand our relations with China so that our friendship and cooperation are further consolidated," he added.

PENG CHONG AT NEPALESE ENVOY'S RECEPTION

OW291428 Beijing XINHUA in English 1421 GMT 28 Dec 85

[Text] Beijing, December 28 (XINHUA) -- Nepalese Ambassador to China Guna Shumshere Jung Bahadur Rana and Mrs. Rana gave a reception at the embassy here today to celebrate the birthday of his majesty King Birendra Bir Bikram Shah Dev of Nepal. Peng Chong, vice-chairman of China's National People's Congress Standing Committee, was among those attending the reception.

I. 30 Dec 85

PRC INTERNATIONAL AFFAIRS  
WESTERN EUROPE

G 1

'EUREKA' TO COMPETE WITH U.S., JAPANESE TECHNOLOGY

OW221018 Beijing XINHUA in English 0847 GMT 22 Dec 85

[**"Year-ender: Western Europe To Meet American and Japanese Challenge in High Technology -- (by Li Zhongfa)" -- XINHUA headline**]

[Text] Bonn, December 22 (XINHUA) -- Two high-tech programs have drawn a lot of attention in the West this year: One is the U.S. Strategic Defense Initiative (SDI) and the other is the European Research Coordination Agency's (Eureka) program. The former lays particular emphasis on the military and the latter is mainly for civilian use.

Eureka, initially proposed by France last April and officially established in July, is a research program designed to bridge Western Europe's high-tech gap with the United States and Japan. It was conceived to improve the competitiveness of the region in the world market through strengthening cooperation and concentrating all the financial, scientific and technological resources of the West European nations.

Under the Eureka program, research will be conducted in sophisticated technologies including information-processing and communications, robots, new materials, biology, oceanics, laser technology, environment protection and transport. To realize the plan, the West European nations have not only to further break down national boundaries to make full use of their high-tech research forces, but must also pool huge funds. It is estimated that within the next five years, 20 billion Deutsch marks (about 8 billion U.S. dollars) will be needed for research in a number of major Eureka items.

Since Eureka was officially born in July of this year, eighteen West European nations have taken part in the greatest joint project in Western Europe's history. The pace of the program was quickened by the second ministerial conference held last month in Hannover, Federal Germany, at which ministers of the eighteen countries decided the first ten research items of the project. They also agreed to hold the third ministerial conference in London next May.

Why are the West European nations so determined to strengthen cooperation in high-tech research? It is not by accident this has come about but rather a painful conclusion they have made from past lessons.

Over the past two decades, West Europeans failed to readjust their economic structure to meet the increased demands of the world market for new technologies and products. As a result, they began to lag behind the Americans and Japanese who were now providing some very serious competition.

It was Western Europe which produced the first computer and up until the 60s, West European computer companies had been competitive on the international market. However, they withdrew from the competition with the U.S. and Japan. They were awed by the large investments that were being made and did not foresee the important long-term impact computer technology would make on their traditional trade. As a result, the European market is now flooded with Japanese electronic products, and the United States is well in the lead in the fields of photoelectricity, artificial intelligence, high-speed computers, aeronautics and space aviation and new materials.

The lack of government support resulted in reduced funds for high-tech research. From the 40s to the mid 50s, computer research in the United States was financed mainly by the government.

Compared with the United States, which poured over 2 billion U.S. dollars into electronic and computer technology from 1958 to 1964, Britain had made a very small effort. It invested 2.5 million U.S. dollars over the same period, while Federal Germany had done almost nothing.

The Americans and Japanese have made great efforts to increase market capacity, realizing that only those who are in a dominant position can occupy or change the market. The West Europeans, however, have sat back and waited for the market to be ripe. This passive attitude also played a role in blocking high-tech development.

It was the U.S. SDI program that made the West Europeans feel the necessity of uniting to bridge the gap. They realized that concerted efforts to catch up had to be made. Otherwise, they would inevitably become junior partners or contractors or even processing factories of the United States and Japan.

The establishing of Eureka reflects the desire and determination of the West European nations to build up a technological Europe that masters all new technologies and can meet the tremendous challenge from the United States and Japan. The project is realistic when at least three favorable conditions Western Europe has are taken into account.

First, with a population of 320 million and a work force of 40 million, Western Europe has a market much larger than that of the United States and Japan.

Second, it can, though not easily, collect almost the same amount of funds for technological research and development as the U.S. and Japan do. And third, some West European countries have already carried on effective and successful cooperation over the past few years. This has occurred primarily in the fields of aeronautics and space industries, nuclear power stations and telecommunications.

In fact, the competition between Western Europe and the United States and Japan in sophisticated technology is a struggle for the control of the world market. Despite a prevailing sense of urgency for the West European countries to catch up with their competitors it will not be easy for them to reach the goal. Many difficulties still lie ahead and inevitable differences remain because of the number of countries involved.

However, progress is being made in implementing the Eureka program which is a landmark of West European effort towards this end.

#### ITALY'S PRIME MINISTER MEETS OUTGOING ENVOY

OW280236 Beijing XINHUA in English 0220 GMT 28 Dec 85

[Text] Rome, December 27 (XINHUA) -- Italy hopes for better relations with China, Italian Prime Minister Bettino Craxi said here today during his meeting with Lin Zhong, outgoing Chinese ambassador to Italy.

Craxi also expressed his appreciation of Lin's efforts to promote Sino-Italian relations during his term of office.

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PRC INTERNATIONAL AFFAIRS  
MIDDLE EAST & AFRICA

11

PLO DENIES PART IN AIRPORT TERRORIST ATTACKS

OW280402 Beijing XINHUA in English 0242 GMT 28 Dec 85

[Text] Tunis, December 27 (XINHUA) -- A high ranking official of the Palestine Liberation Organization (PLO) stated today that the PLO and its subordinate units have no connection with today's terrorist attacks on passengers of Israeli airlines at airports in Rome and Vienna.

The leading official said that the PLO strictly abides by the "Cairo declaration" signed by Chairman Yasir Arafat last November which allows no terrorist activities beyond the Israel-occupied areas. He also denounced Israel's claim that the PLO is responsible for the twin attacks and said that the PLO hopes the world and especially all parties concerned with the Middle East issue will follow with interest Israel's threat to retaliate.

Accuses 'Breakaway Groups'

OW280342 Beijing XINHUA in English 0238 GMT 28 Dec 85

[Text] Kuwait, December 27 (XINHUA) -- A leading Palestinian official today strongly condemned this morning's twin terrorist attacks on two Israeli targets in Rome and Vienna airports, which killed 17 people and injured 107 others.

In a statement to the reporters here, Central Committee member and second in command of the Palestinian mainstream Fatah movement, Salah Khalaf, codenamed Abu Iyad, accused the breakaway groups of carrying out the two attacks to undermine the organization's credibility, particularly after the Cairo declaration made by Chairman Yasir 'Arafat following his meetings with Egyptian President Hosni Mubarak in Cairo last month. In his declaration, the PLO leader announced a stop to all PLO armed operations outside the occupied Palestinian land. Abu Iyad called upon Arab countries to live up to the level of their responsibility and stop offering training to PLO-breakaway groups.

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CHINA  
PRC NATIONAL AFFAIRS

K 1

XINHUA COMMENTATOR DISCUSSES GET-RICH POLICY

OW271221 Beijing XINHUA Domestic Service in Chinese 0833 GMT 26 Dec 85

[**"Article"** by XINHUA commentator: "The Policy of Allowing Some People To Get Rich Before Others Will Not Change"]

[Text] Beijing, 26 Dec (XINHUA) -- Correctly understanding the policy of allowing some people to get rich before others and adopting a correct attitude towards peasants who have become prosperous are important problems that we should try to solve in our current rural work. It should be emphasized that this policy has not changed and that it will not be changed for a very long time to come.

Socialism has provided workers with an equal opportunity for development, because the state has the means of regulating social income. Therefore, common prosperity is the aim of socialism. However, under socialism, as long as the principle of to each according to his work is implemented, the gap in income caused by different types of work cannot be avoided. As long as a system is implemented with public ownership as its foundation, allowing the simultaneous existence of different types of economic activities, it is difficult to avoid some gaps in income caused by differences in the possession of the means of production. Besides, the size of profits made in running rural enterprises and the operation of different kinds of trades can also give rise to gaps in income. These conditions show that it is objectively inevitable that some will get rich before others and that there exists a difference in the degree of prosperity in socialist society. That is why we must adopt a policy that calls for common prosperity while allowing some people to get rich before others.

Allowing some people to get rich before others is not entirely contrary to common prosperity, but is the essential way to achieve common prosperity. Allowing and encouraging some of the peasants to become prosperous through labor will appeal to the majority of peasants and encourage them to strive for common prosperity. Is there another road that we can take besides this one? No. An important lesson we have drawn in the countryside in the past 30 years is the application of egalitarianism to hold back development in an attempt to make everyone become prosperous at the same time and at the same place. The result was not common prosperity, but common poverty.

Will allowing some people to get rich before others lead to polarization? This can be understood by observing the reality that has occurred in the countryside in the past few years. Since the holding of the 3d Plenary Session of the 11th CPC Central Committee, the gap in income between high-income households and low-income households in the countryside has inevitably widened. At the same time, the following points should be noted: First, the total increase in the per capita, annual real income of the peasants accumulated in the past 6 years was more than that accumulated in the 25 years before 1978. Second, the proportion of high-income households in the countryside in the past 6 years has increased, while that of low-income households has decreased. Compared with 1978, the number of 1984 low-income households whose per capita, annual real income was below 200 yuan dropped from 85 percent to 14 percent; but the number of high-income households whose per capita, annual real income exceeded 500 yuan rose from 0.6 percent to 18 percent.

This shows that the wide gap in income currently existing in rural areas simply indicates the difference in the pace of prosperity among the peasants. This condition is confused with the polarization resulting from the possession of the fruits of labor by one section of the people over another section of the people.

In implementing the policy of allowing some people to get rich before others, a small number of people have resorted to perverse means to obtain ill-gotten wealth. These people must be educated and put under control, and there is no doubt that those individuals who have committed crimes must be punished according to law. In dealing with the problem of excessive differences in the distribution of income in rural areas, the means of taxation should be employed to properly regulate the difference so that it can be maintained at a level acceptable to society. We have always encouraged prosperity through hard work and the observance of laws. The majority of the peasants who have become rich in the past few years have acted in this way. At a national conference on rural work, held in 1983, Comrade Wan Li called on us to cherish the peasants' enthusiasm about getting rich through labor. This call is still important today.

In short, we should unify the policy of allowing some people to get rich before others with the objective of common prosperity. On the one hand, we must never forget this objective and enthusiastically help those peasants who are still poor to free themselves from poverty at an early date. On the other hand, we must continue to implement the policy of allowing part of the people to get rich before others, encourage the prosperous peasants to develop commodity production, and help them solve their problems in production. In this way, we can enhance the enthusiasm of the entire peasantry and bring about a sustained and vigorous growth in the rural economy in our country.

ZHAO ZIYANG, TIAN JIYUN INSPECT WORK IN HENAN

OW290815 Beijing XINHUA Domestic Service in Chinese 1204 GMT 28 Dec 85

[By reporter Liu Yunlai]

[Text] Zhengzhou, 28 Dec (XINHUA) -- Premier of the State Council Zhao Ziyang and Vice Premier Tian Jiyun visited Xinxiang, Jiaozuo, Zhengzhou, Kaifeng, and other places in Henan Province from 21 to 26 December, to investigate the new experiences, conditions, and problems that had appeared in urban and rural reform. They also gave their opinions on how to further economic structural reform in both urban and rural areas, how to strengthen and improve macroeconomic control, and some other questions.

This year, despite natural disasters in some localities in Henan Province, rapid progress has been made in developing diversified operations and village and town enterprises, and peasant income has generally increased as a result of initial steps taken to adjust the rural production structure. Comrades Zhao Ziyang and Tian Jiyun were very pleased to see the high spirits displayed by the vast numbers of cadres and masses and the thriving scene in the countryside. Zhao Ziyang said: Since the 3d Plenary Session of the 11th CPC Central Committee, there has been a drastic change in Henan. Henan's work has been done well, and a fine situation now prevails in both the political and economic fields. Tian Jiyun said: The facts about Henan prove that the assessment of the rural situation by the central authorities has been correct, and that their policy of adjusting the rural production structure has also been timely and correct. It is imperative to actively carry out this policy in a way suited to the specific conditions in various localities and to go all out to grasp grain production and develop diversified operations so as to further the development of the rural economy.

On the morning of 22 December, Zhao Ziyang, Tian Jiyun, and other comrades visited Liuzhuang village of Xinxiang County. The secretary of the village general party branch, Shi Laihe, told them that during the last few years Liuzhuang had adjusted its production structure and made positive efforts to develop commodity production and use industry to promote and supplement agriculture, bringing about rapid development of both grain production and village-run industries and a big increase in commune members' income.

Hearing this, Zhao Ziyang nodded again and again. He pointed out: We must integrate the concepts that "there can be no affluence without industry" and "there can be no stability without agriculture" and make the two promote and support each other. Only if there is a bumper grain harvest and if the foundation is sound can there be favorable conditions for developing industry, sideline production, and other diversified operations. On the other hand, only with the development of industry, sideline production, and other diversified operations can there be still greater impetus to support and promote the further development of agriculture. As a matter of fact, we have been taking this road for 8 years. As can be seen from the trend of development, the questions of using industry to supplement agriculture and using sideline production to aid agriculture must be solved on the spot in China's rural areas. Measures for supplementing agriculture may be formulated according to specific local conditions and may assume diverse forms. At the moment, it is very important to achieve unified understanding in this regard.

On his way to Huixian County, Zhao Ziyang inquired about the work done in building water conservation and road construction projects as well as about living conditions in mountain areas. A responsible comrade of the Huixian County party committee told him that mountain areas have their specific strong points with regard to resources. A village called Houzhuang, he said, has become well off by developing haw production, and last year the output value averaged 2,000 yuan per capita. Zhao Ziyang said: Haw is a good product and we can do much in developing the haw-processing industry. Mountain areas can take advantage of their salient feature to vigorously develop forestry and livestock breeding. The comrades of Huixian County also told Zhao Ziyang that despite the big changes in the county in recent years, the people of this mountain area are generally still unable to lead a well-to-do life, and some remain in a state of poverty even today.

With deep concern for the livelihood of the people in mountain areas, Zhao Ziyang and Tian Jiyun repeatedly told the local cadres to solve the food and clothing problem in poor areas and to extricate the people of these areas from poverty as soon as possible. They pointed out that our country has many policies for giving preferential treatment to these people as well as many measures aimed at giving them special care. If these policies and measures are implemented in earnest, the local people's initiative to do away with poverty is aroused, and efforts are made on the basis of actual local conditions to bring into full play the strong points, overcome shortcomings, and make full use of favorable conditions, the food and clothing problem can surely be solved.

Secretary Yang Xizong of the Henan Provincial CPC Committee and Governor He Zhukang, who accompanied Premier Zhao on his inspection tour, said at a briefing that Henan has decided to use its favorable conditions to build the province into a commodity wheat production base. Zhao Ziyang praised the plan of provincial party committee and government, pointing out that Henan, a wheat producer by tradition, has the necessary conditions and that peasants here are highly motivated. He said that the state, which needs commodity wheat bases, should support this policy decision. Zhao Ziyang and Tian Jiyun hoped that Henan would use its favorable conditions and develop grain production to contribute more to the country's construction.

Henan Province, located in central China, has good transportation facilities, rich natural resources, and a fairly strong industrial foundation. However, due to shortage of funds, technology, and qualified personnel, its economic development has been limited. Zhao Ziyang said: Henan must vigorously develop its economic and technological relations with the rest of the country, particularly with the coastal areas, in order to draw on their management expertise, technology, and funds to spur Henan's economic development. In the meantime, attention must be paid to expanding cooperation among enterprises. There is currently a strong momentum in developing such lateral cooperation. It is necessary to review and popularize this experience and make development of lateral cooperation an important item on the reform agenda.

At the Jiaozuo power plant, Henan tire plant, Kaifeng high-pressure valve plant, and Zhengzhou cable factory, Zhao Ziyang and Tian Jiyun noticed the vitality of the enterprises and the workers' enthusiasm brought about by the reform in recent years. They encouraged the workers to continue to carry out reform. Zhao Ziyang reminded the leaders of these factories to look ahead and look back in the course of implementing reform and to handle well the interests of the state, the enterprises, and the workers from an overall point of view. He urged them to educate the workers to consider both short- and long-term interests, and to secure a certain amount of accumulation to enable the enterprises to make sustained growth. On the question of wages and bonuses, he said that enterprises must avoid competing with each other in raising wages and bonuses so that the fruits of reform can be further consolidated and developed.

Speaking on the way to run enterprises once they are placed under the control of key cities, Zhao Ziyang pointed out: Unless the key cities' leading organs drastically change their traditional concepts and their style of leadership over enterprises, it would be difficult for the enterprises to exercise their decision-making powers and expand lateral cooperation. In some localities, "bureaus" have been replaced by "commissions" or "offices" and administrative corporations have been abolished to place the enterprises under the direct control of key cities. I think this is the right way. Of course, in implementing such structural reforms, we must be both forceful and careful. Sooner or later we must go through this stage of reform; we will have the initiative if we implement this reform as soon as possible. Comrade Zhao Ziyang emphatically pointed out: In invigorating enterprises, we must strengthen and improve macroeconomic control. We must particularly avoid overexpansion of investment in fixed assets and too-rapid growth of consumption funds to ensure sustained, stable, and balanced growth of our national economy and to give our economy sufficient reserve strength for growth in the following decade. This is a question of vital importance that must be taken seriously by cadres at all levels.

#### ZHAO, OTHER LEADERS ADDRESS RURAL WORK CONFERENCE

OW300900 Beijing XINHUA in English 0840 GMT 30 Dec 85

[Text] Beijing, December 30 (XINHUA) -- Premier Zhao Ziyang told a recent national conference on rural work that the guideline for next year's economic reform is to consolidate, digest and perfect the achieved results of the rural reform, rather than take new moves, so as to give full play to their benefits.

The premier said the reform made a big impact both in the cities and in the countryside in 1985. The changes in terms of price, wages and agricultural commodity purchase and sales systems were "quite bold". The rural reform achievements are beyond all expectations.

The reform is now caught in a period of change: A new system is being formed while the old one is still operating, Zhao said. In this case, a few reform measures might be imperfect and this is unavoidable, they need to be further improved so as to keep their advantages while ruling out their disadvantages.

The premier said another task for next year is to make necessary preparations for the next step of the reform, scheduled to begin in 1987, by carrying out investigations and pilot study. The commodity circulation problems will be one of the major objectives for the next step of the reform.

The two-week rural work conference was called jointly by the Chinese Communist Party Central Committee and the State Council. Attending the conference are 240 officials in charge of agricultural work from localities and central departments as well as rural issue experts.

The meeting analysed the situation and problems that have emerged and discussed measures for continuing the current reform in the countryside. The meeting also discussed the plan for 1986.

The conference proposed that by 1990, the last year of the Seventh Five-Year Plan, China's total grain output would reach 450 million tons, keeping the current level of an average of 400 kilograms per capita. Per-capita rural income is projected to be 550 yuan, 37.5 per cent higher than the 1985 figure.

The rural reform started in 1979 and so far has taken two steps: The first step was marked by the nationwide introduction of the household-based contract responsibility system in place of the production brigade-based people's commune system. The second step, beginning this year, focuses on restructuring the rural economy and changing the agricultural product purchase and sales system. The participants agreed that both steps have shown great success by invigorating the whole rural economy and substantially stimulating peasants' enthusiasm in production according to market demands.

China has reaped record harvests for six years, with an average annual increase of 17 million tons in grain output. Despite an expected reduction of some 25 million tons of grain this year compared with the record output of 400 million tons in 1984, the expected output will be close to the 380 million tons harvested in 1983. With the exception of cotton, all industrial crops and diversified economies showed a sharp rise and peasant income continued going up.

Vice-Premiers Wan Li and Tian Jiyun made speeches on separate occasions, stressing the importance of continuing the rural reform and the necessity of restructuring the rural economy and changing the purchase and sales system. They called for party and governmental departments at all levels to attach greater attention to agriculture and grain production.

Tian said: "There are no contradictions between grain production and development of a diversified economy, and they are actually conducive to each other. The policy of adjusting agricultural structure has proved correct. Don't waver with the policy because of a temporary grain decrease."

Tian said there are three main reasons for a grain reduction this year: serious natural disasters, the substitution of industrial crops on grain-growing acreage and a lack of incentive for growing grain because of higher production costs and less profit from raising grain.

Wan Li summed up in his speech the experiences in the first step of the rural change. The fact that there are 800 million peasants in China should be borne in mind. The peasants' democratic right and economic interests should be taken into account at all times.

Wan said the principle of seeking truth from facts should be followed. In the vast country, there are great differences not only among developed areas and underdeveloped areas, but also among areas of the same type. Whatever is done must be according to the actual conditions of a given area.

The spirit of fearing no difficulties should be encouraged to clear away any bothers and obstacles to the economic reform, Wan said. It is inevitable that difficulties, turns and twists would happen in the course of a reform. What is most important is to have determination and confidence in the reform.

RENMIN RIBAO COMMENTS FURTHER ON INSPECTIONS

HK300558 Beijing RENMIN RIBAO in Chinese 25 Dec 85 p 1

[Commentator's article: "Inspections Should Give a Hand and Should Not Cause Trouble"]

[Text] On 20 December, we published a commentator's article titled "Year-end Inspections Must Be Put Under Control," which called on all localities and departments to prevent and check inappropriate yearend inspections. These days, we have received many complaints in this regard from grass-roots units. It seems that this problem has not been solved and it is necessary for us to say more about this.

We believe that when sending inspection groups to grass-roots units, the upper leading bodies have good intentions. But the grass-roots units will see what these inspectors do. They will welcome the inspection groups if they find that the inspection groups can help them solve problems; and they will not welcome the inspection groups if they find that the inspectors merely add to their troubles. It is a pity that many inspection groups that have been sent by the upper leading bodies fail to help the work of the grass-roots units; instead, they simply add to the troubles of the grass-roots units which have to receive and entertain them. This not only affects production and work in the grass-roots units, but also brings about the unhealthy tendencies of doing things for show and practicing fraud.

How should we change this state of affairs? Here, we put forward some suggestions:

First, the inspection groups should have a correct purpose when going to the grass-roots units. They should realize that leadership means offering effective services. Our purpose in going to the grass-roots units should be to help them sum up experience, add to their achievements, and overcome shortcomings so as to make advances more vigorously. However, if an inspection group goes to the grass-roots units merely under the pretense of "going deep into the grass-roots units" or even to seek pleasure and some other gains," how could its work be properly handled?

Second, the inspection groups should make down-to-earth investigations and studies in order to promote work in the grass-roots units. The purpose of investigations is to solve various problems rather than to seek evidence for some ready-made conclusions and to collect materials for writing a high-flown report to find favor with the higher authorities. If our investigations cannot reflect the real situation and cannot help solve existing problems, what is the good of going down to the grass-roots units? So our investigations and studies must be realistic.

Third, when going to the grass-roots units, we must not give arbitrary and impracticable directions and must not be engaged in unhealthy practices. People in grass-roots units always respect cadres from the higher authorities. They often seek their instructions in work and give special treatment to them in daily life. If the inspectors do not keep a sober mind, they may be carried away to talk without careful consideration and to give incorrect directions; and they may also relax self-control and engage in unhealthy practices.

Finally, the upper leading bodies should pay more attention to the places that few people have visited. In recent years, many people from the higher level wanted to visit the places that were advanced in work, rich in the economy, and convenient in transport conditions, but few people wanted to go to the backward, poor, and remote areas to see what was going on there. In fact, the latter need more help, and people who are willing to go there will play a greater role than they go to the places with better economic and natural conditions.

Comrades in various leading bodies should know that it is necessary to go to grass-roots units, but when going there, they should be helpful rather than being troublesome to the grass-roots units.

CENTRAL DEPARTMENTS URGED TO CORRECT MALPRACTICES

OW301242 Beijing XINHUA in English 1219 GMT 30 Dec 85

[Text] Beijing, December 30 (XINHUA) -- Listless and irresponsible central party and government functionaries and serious bureaucrats are facing dismissal from office and most serious cases will be punished.

This is a decision made by the Secretariat of the Chinese Communist Party Central Committee after hearing what has been happening in the departments under the CPC Central Committee, government departments and the Beijing municipal party and government departments earlier last week.

This is part of the effort by the CPC Central Committee to bring about a fundamental turn for the better in the party style of work.

According to the decision, the central party and government departments and the Beijing municipal departments will be made an example for localities to follow and this will be done in six to 12 months.

The unhealthy tendencies that have spread in the country, including lack of the sense of discipline and bureaucracy, mainly come from leading bodies, the central leading organs in particular, the decision says.

If the central party, government and Army departments and the Beijing municipal party and government departments set an example in correcting the unhealthy tendencies and malpractices, it will create favorable conditions for bringing about a fundamental turn for the better in the party style of work throughout the country, the decision says.

All senior party and government leaders must do away with the practice of indulging in empty talk which, the decision says, is the main cause for the unsatisfactory results in the past efforts to better the party style of work and social conduct. If any department fails to correct serious malpractices, leaders of that department will be held accountable, the decision says.

In late November, the General Offices of the CPC Central Committee and the State Council issued a serious warning against malpractices in government offices, which include abusing the use of cars by indulging in seeking extravagant models, using public money on tours in the country and abroad, seeking illegal earnings and abusing power for personal gains.

The CPC Central Committee Secretariat urged the central party and government departments and the Beijing municipal party and government departments to start out with the investigations into the problems and stick to the very end until satisfactory results are achieved.

While correcting the unhealthy tendencies, the decision says, attention must be paid to the immediate interests of the people and cautious steps should be taken in dealing with cases involving the interests of the masses of the people. At the same time, steps should be taken to perfect necessary rules and regulations and help solve practical problems among the people, such as running the canteens, kindergartens and other welfare facilities well.

HU YAOBANG ON ECONOMIC AID TO OLD LIBERATED AREAS

HK300346 Beijing NONGMIN RIBAO in Chinese 16 Dec 85 p 1

[Report: "Hu Yaobang Writes Instructions on a Letter Sent by Party Branch of Baoshi Village That Proper Preferential Treatment Should Be Given to Old Liberated Areas So That They Can Bring About an Economic Upswing"]

[Text] Recently, Comrade Hu Yaobang, general secretary of the CPC Central Committee, gave important instructions on a letter by the party branch of Baoshi Village, Yixian County, Hebei Province, which reported some problems in the mountainous area to the central leadership. Comrade Yaobang wrote: "Appropriate preferential treatment should be given to remote poor mountainous areas, especially the old liberated areas that made major contributions in the years of the revolution. They should not be required to bear the same burdens as other areas." He pointed out: "It is more difficult to ask each person in the poor mountainous areas to contribute 1 yuan than to ask each person in villages that have become rich to contribute 10 yuan, because this 1 yuan may be vital to their production and livelihood."

He also wrote: "In order to help the people in poor mountainous areas to bring about an economic upswing, comrades with experience and a strong sense of responsibility should be sent to stay there and work out measures for this purpose with local cadres and people. They should not leave before the measures achieve actual results (I do not mean that they should not go home, but they should not stop their on-the-spot guidance)." In his instructions, Comrade Hu Yaobang also pointed out that planting more trees is not enough; tree planting should be integrated with grass planting and the development of animal husbandry. At the same time, local leaders should often call on able people to seek their advice, call on rich households to learn from their successful experience, and call on poor households to help them become rich. They should be earnest in doing this in order to achieve good results in their work.

After receiving this instruction, the Baoding Prefectural CPC Committee immediately made an all-round investigation of the economic conditions in various mountainous areas and old liberated areas and dispatched nearly 1,000 cadres to the villages to help the villagers. Specific targets have been set for cadres to fulfill during their tenure. The cadres' performance in fulfilling these targets is regarded as an important ground for assessing and promoting them. In addition, the prefectural party committee has also decided that each of the prefetual and county leaders should establish a fixed connection with a poor village and should conduct direct dialogue with the villagers in order to work out some effective measures for building up wealth and overcoming poverty before the coming Chinese New Year.

1985 INDUSTRIAL, AGRICULTURAL OUTPUT REPORTED

OW281759 Beijing XINHUA in English 1554 GMT 28 Dec 85

[Text] Beijing, December 28 (XINHUA) -- China's total industrial and agricultural output value this year is expected to increase by about 14 percent over last year's figure, the State Statistical Bureau announced today.

Production quotas of most products set for the Sixth Five-Year Plan (1981-1985) have already been met ahead of schedule.

In the first eleven months of this year, state revenue totalled 168.5 billion yuan, 43.5 billion yuan (or 34.8 percent) more than in the same period last year.

The bureau predicted that China's revenue and expenditure would roughly balance this year, and its financial deficit would be eliminated.

This year's grain harvest would be smaller than last year's, but it would still be the third-highest annual total for 36 years.

The output of sugar-bearing crops, oil-bearing crops, tobacco, jute, kenaf and other cash crops, except cotton, had all surpassed targets by big margins.

The development of forestry, animal husbandry, fisheries and rural industries had been speeded up, and total agricultural output value would rise this year by about 10 percent compared with 1984.

Total industrial output value this year would reach 820 billion yuan, an increase of 17 percent over 1984.

The production of coal, crude oil, electricity and raw materials -- all badly needed throughout the country -- had continued to rise. The output of major industrial products, except fertilizers, pesticides and salt, would meet or surpass planned annual targets.

Economic efficiency had been improved, more profits and taxes had been generated and labor productivity had been raised, but the quality of some products had declined.

The speed of construction on 169 key state projects had been stepped up this year. The floor space of new homes built in the first 11 months had come to more than 37 million square meters -- 2,900,000 square meters more than in the same period in 1984.

The bureau said that between January and November, the freight volume handled by railways had totalled 1.17 billion tons, an increase of 5.4 percent over the same period last year.

It added that China still faced economic problems such as excessive investment in fixed assets, price hikes, the high level of imports and the decrease of the state's foreign currency reserves.

#### ZHAO WEICHEN REVIEWS 1985 INDUSTRIAL DEVELOPMENT

OW300443 Beijing XINHUA Domestic Service in Chinese 1534 GMT 28 Dec 85

[By reporter Huang Fengchu]

[Text] Beijing. 28 Dec (XINHUA) -- During an interview with this reporter on the eve of the new year, Zhao Weichen, vice minister of the State Economic Commission, said that in 1985 significant successes have been achieved in the nation's industrial production, which has been developing in a steady, sustained, and coordinated manner. Not only have the targets set in the Sixth 5-Year Plan been accomplished, he said, the success will help expedite the process of economic reform in all sectors during the Seventh 5-Year Plan period.

According to Zhao Weichen, the nation's gratifying industrial situation can be observed from the following facts:

-- The excessive industrial growth and deterioration of product quality noted early this year have been put under control, and growth has been, in the main, rationalized. Compared with the same period in 1984, the value of total industrial output increased by an excessive 23.1 percent. Thanks to the effective measures taken by the party Central Committee and the State Council to strengthen the overall control, growth during the second half of 1985 began to slow down.

During the third quarter of 1985, it slowed down to 17.1 percent. In November, growth was further reduced to 8.8 percent, thus lowering annual industrial growth to approximately 17.7 percent. During the January-October period, the quality of 75 types of major products subjected to national statistical computation steadily improved by 4.9 percent over the first half of the year.

-- Energy, raw, and semi-finished materials as well as light, textile, and electronics industries grew fairly significantly. This year, coal and crude oil output and the increase of power output have been the highest in recent years, topping that of 1984 by more than 8 percent. It is estimated that the output of steel, pig iron, nonferrous, and steel products will be higher than that of last year by 7 to 9.3 percent, and the output of cement and plate glass will increase 16.5 and 15.3 percent.

The output of light industrial goods, textile products, and electronics goods has registered a big increase. Compared with the same period in 1984, the output of color television sets during the January-November period increased by 2.3 times, home refrigerators up 1.7 times, radio tape recorders up 79.4 percent, electric fans up 78.7 percent, home washing machines up 55.8 percent, and the output of textile products, synthetic detergent, woolen goods, chemical fibers, and the like increased from 20 to 30 percent. This year, the increase of the total retail sales of consumer goods has been one of the highest since the founding of the republic.

-- Technical transformation and technical progress has been accelerated. Of the 3,000 advanced technologies imported from foreign countries over the past 3 years, many have been put into use. Many domestic technical cooperation projects have also begun to function. Because of the attention given to technical progress and improvement of management, over 2,300 kinds of products were rated as outstanding goods of the state during the first 9 months this year. Among the mechanical and electronics goods, approximately 30 percent of them are on a par with the international standards of the 1970's and early 1980's.

-- Economic results, and particularly financial receipts, have improved fairly significantly. During the January-November period, the total amount of profits made by budgetary industrial enterprises and the taxes paid by them was 14 percent higher than the same period last year; the nation's financial receipts increased by 23 percent; the time for the turnover of circulating capital was 4 days shorter, and productivity was 9.8 percent higher.

According to Zhao Weichen, this year, the nation's communications and transport departments have demonopolized their operation, thus arousing enthusiasm from all quarters and greatly increasing the freight volume. Despite inadequate transportation facilities, they have overfulfilled this year's passenger and cargo transportation plans, thus facilitating production, construction, and the people's living necessities.

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XI ZHONGXUN SPEECH AT XIONG KEWU CENTENNIAL

OW271231 Beijing XINHUA Domestic Service in Chinese 1405 GMT 26 Dec 85

[Speech by Xi Zhongxun at a commemorative forum on the centenary of the birth of Mr Xiong Kewu]

[Text] Beijing, 26 Dec (XINHUA) -- Comrades, friends: We gather here today to solemnly commemorate the centenary of the birth of Mr Xiong Kewu. The central leading comrades gathered here and I wish to pay our sincere tribute to the esteemed Mr Xiong and extend our cordial greetings to his relatives.

Mr Xiong Kewu was a principal member of the Tongmeng Hui a loyal comrade-in-arms of the great revolutionary forerunner Dr Sun Yat-sen, a famous democratic fighter, an outstanding leader of the Chinese Kuomintang Revolutionary Committee, and a long-term cooperative friend of the CPC. His contributions to the democratic revolution and the cause of socialism shall forever live in our memory.

As early as in the beginning of this century, Mr Xiong Kewu joined the Tongmeng Hui, which was led by Dr Sun Yat-sen, and waged an unremitting struggle to topple the imperial system and found the republic. Before the 1911 revolution, he organized and lead several armed uprisings in Luzhou, Chengdu, and other places in Sichuan. In April 1911, he participated in the famous Huanghuagang battle. He led a dare-to-die corps in an attack on the Guangdong and Guangxi governor's office and fought a bloody battle against the Qing Dynasty army, during which his comrades-in-arms Fang Shengdong, Yu Peilun, Lin Shishuang, and Qin Bing heroically laid down their lives but he alone narrowly escaped, thanks to the help of local people. The Huanghuagang battle, despite its failure, shook the whole country. It signified the beginning of the end of the Qing imperial dynasty, and paved the way for the victory of the 1911 revolution. Mr Xiong Kewu's heroism, fighting skills, and revolutionary spirit of defying personal danger won praise from the people.

After the 1911 revolution, the northern warlords headed by Yuan Shikai usurped the state power. They relied on the imperialists in foreign affairs while instituting autocracy at home, making the people of the whole country continue to live in an abyss of suffering. In order to save the revolution, Dr Sun Yat-sen continued to carry it on. Actively responding to Dr Sun Yat-sen's call, Mr Xiong Kewu organized troops in Sichuan and coordinated various quarters to jointly launch an expedition against Yuan Shikai, thereby making a meritorious contribution to the victory of the movement to defend the Constitution. Later he participated in the struggle to defend the Constitution, which was also organized by Dr Sun Yat-sen, and assumed the post of governor of Sichuan, contributing to the stability of Sichuan and helping the people to rest and build up strength.

Mr Xiong Kewu endorsed Dr Sun Yat-sen's three major revolutionary policies of allying with Russia and the communists and assisting the peasants and workers, and supported the reorganization of the Kuomintang. Nominated by Dr Sun Yat-sen, he was elected a central executive member at the First National Congress of the Chinese Kuomintang in 1924. Dissatisfied with the Kuomintang authorities' anticommunist dictatorial policy after the "April 12th" coup d'etat, he resigned from his official post and lived in retirement in Chengdu for many years. Coming out of retirement to join others in dealing with the national calamity in the wake of the war of resistance against Japan, he actively mobilized and united the strength of the various quarters in Sichuan to support the war. After the victory in the war, the Kuomintang authorities, disregarding the will and aspirations of the people of the whole country, flagrantly launched the civil war against the communists and people.

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Seeing the rise and decline of the relative strengths of the revolutionary and counter-revolutionary forces, he gradually realized what China's future should be and pinned his hopes on the people's forces led by the CPC. On the eve of the liberation of Chengdu, he firmly rejected the Kuomintang authorities' enticement and coercion and stayed in the area to greet liberation. After the founding of the PRC, he issued a statement supporting the leadership of the CPC and the Central People's Government.

In the early years after the founding of the PRC, Mr Xiong Kewu was appointed vice chairman of the Southwestern Military and Political Commission. Closely cooperating with Comrades Deng Xiaoping, Liu Bocheng, and He Long, he made important contributions to stabilizing public order, completing democratic reform, rehabilitating and developing production, and consolidating and expanding the patriotic united front in the southwest. Since 1954, he was successively elected Standing Committee member of the First, Second, and Third NPC's. He actively took part in national political life and put forth a number of useful opinions and suggestions for inclusion in major political policies. During his tenure as vice chairman of the Central Committee of the Kuomintang Revolutionary Committee, he performed a tremendous job in carrying out its work and consolidating and developing its organization, and contributed his share in strengthening and expanding the patriotic united front. Showing grave concern for the task of the motherland's reunification, he time and again urged his old friends in Taiwan to follow Dr Sun Yat-sen's behest by ending the unfortunate situation of separation between the two sides facing each other across the strait. Mr Xiong Kewu spent his remaining years happily in New China. On his deathbed, he wrote a letter to Comrade Mao Zedong, expressing his firm belief that "only the Communist Party can save the people from extreme misery and make the country strong and prosperous," as well as his delight over being able to dedicate himself to the cause of socialism under the CPC's leadership.

Comrade Zhou Enlai once praised Mr Xiong Kewu for "keeping the cardinal principles in mind and taking the overall situation into account." This is an accurate and pertinent assessment. It is commendable that, while experiencing a series of major changes and intricate political storms throughout his life, Mr Xiong Kewu persistently adhered to his original objective by persevering in following Dr Sun Yat-sen's behest, putting the national interests above anything else, doing everything he could to keep abreast of the times, thereby showing his political integrity as an outstanding patriot, and coming to an honorable end. We are deeply impressed by Mr Xiong Kewu's frugal and simple life and his venerable elder's style of being strict with himself and modest and amiable to others.

In commemorating Mr Xiong Kewu, we should not forget the brilliant deeds that innumerable patriots with lofty ideals have performed during the past half century and more by advancing wave upon wave, struggling hard, and making sacrifices. We must treasure the hard-earned excellent situation today marked by stability, unity, and prosperity. We must persist in making reform, continue to blaze new trails, work together for a splendid future, and contribute our part to the building of socialism with Chinese characteristics, the reunification of the motherland, and China's rejuvenation.

#### 'ROUNDUP' ON PLA MODERNIZATION WORK IN 1985

HK290344 Beijing ZHONGGUO XINWEN SHE in Chinese 0959 GMT 26 Dec 85

["Roundup" by reporter Li Wei: "China Makes Remarkable Progress This Year in Army Modernization Work"]

[Text] Beijing, 26 Dec (ZHONGGUO XINWEN SHE) -- A Western military analyst once predicted: "1985 will be the year for the Chinese to demonstrate their real progress in Army modernization." Facts have proved that 1985 was the year in which China made remarkable progress in its Army modernization.

During the year, China smoothly carried out the streamlining and amalgamation of its military regions and the readjustment of the top-level leadership of the whole Army. The 11 PLA military regions set up many years ago have been successfully incorporated into the 7 military regions of Beijing, Shenyang, Nanjing, Lanzhou, Jinan, Guangzhou, and Chengdu. As a result, its organizations have been streamlined, the troop commands have become more concentrated, and its combat capabilities for conducting combined operations have also improved. Meanwhile, the replacement of aged cadres by young officers in the three general headquarters (the General Staff Headquarters, the General Political Department, and the General Logistics Department) and all the military regions and services and arms have also been completed, and a number of young officers who are both upright and capable and in the prime of life have joined the PLA's top leadership. After the readjustment, the average age of every major unit dropped from 64.9 to 56.7, with every leading group possessing cadres in their 40's, 50's and 60's.

Therefore, the echelon age structure has basically taken shape in the light of the standard of being younger in age. The leading groups now have fewer members than before, with the three general headquarters being cut by 23.8 percent and the new military regions by 50 percent. The intellectual structure of the new leading groups has also further improved, with 60 percent of the senior officers possessing higher education and 75 percent of them having been trained by military academies. Among the military cadres, all the Air Force officers can fly, most naval officers can sail ships, and most officers of strategic missile units can organize and command the launching of missiles.

On 4 June of this year, Deng Xiaoping announced at the enlarged session of the CPC Central Military Commission: The Chinese Government has decided to reduce its troops by 1 million. The result of this disarmament is, just as Chief of the General Staff Yang Dezhi said, that although the number of troops and the quantity of equipment have been reduced, its quality has improved, the troops are better, and capabilities for conducting combined operations have also increased. This is conducive to bringing into play the strength of all the services and arms as a whole and intensifying the troops' combat abilities. At present, this work is being smoothly carried out.

Ensuring wartime communications is of utmost importance to an army. At present, an independent, multifunctional, and powerful national defense communication network, which can connect the headquarters command center with every locality in the country as well as border positions and be used both in peacetime and wartime, has taken shape. The automatic command system for the whole Army at the headquarters has successfully reached all the military regions and arms and services. The popularity and application of computers [zhineng zhongduan 2535 5174 4807 4551] characterized by microcomputers have raised the effectiveness of command and the quality of communications.

Fruitful results have been achieved in military scientific research. The Chinese Navy, which is exerting every effort to build up a powerful coastal defense, has once again made headway in missile research. People concerned have said that a new generation of naval missiles will appear by the 40th anniversary of New China. The scientific and technological achievements of the Chinese rear area services have won more than 240 awards, including state invention awards, national scientific and technological progress awards, and second-grade military awards. Therefore, 1985 was the year in which the Chinese rear area services attained more scientific and technological achievements than ever before. Of these, research on wartime medical prevention of wounds caused by special weapons won the national scientific and technological progress special award and the only item in the field of medicine in the whole country to have won this prize.

Besides, the high standards for military training, the establishment of the National Defense University, the reform of the officer training systems, contents and methods, and so on, have all attracted people's attention. It is believed that these will be of important and far-reaching significance to the PLA.

Of course, the Chinese troops still have a long way to go before truly realizing modernization. Nevertheless, they are now marching steadily with giant strides toward fixed goals.

#### MOST DEMOBILIZED CADRES REASSIGNED TO JOBS

0W290351 Beijing XINHUA Domestic Service in Chinese 0812 GMT 28 Dec 85

[By reporter Gai Yumin]

[Excerpts] Beijing, 28 Dec (XINHUA) -- Work to assign jobs to the first batch of demobilized cadres in the reduction-in-force Army reorganization has been basically completed. As of mid-December, 85 percent of the demobilized cadres had received notification to report to the local government, and had taken up new posts.

A responsible person of the State Council's Office for Reassignment of Demobilized Army Cadres told this reporter: Assigning jobs and titles to demobilized Army cadres is a major component of the reassignment work, and its completion is an indication of the successful work for this year.

The reassignment work was started in September. In order to make full use of the talents of demobilized Army cadres and enable each one of them to have a proper role to play, all provinces, municipalities, and autonomous regions have taken active and flexible measures to speed up the reassignment work. In line with the principles of assigning specialized personnel to relevant departments, satisfying urgent needs, and giving priority to the grass roots, many localities conducted in-depth investigation and study and brought cadres to meetings with departments in need of personnel, thereby assigning demobilized cadres to appropriate posts.

Other localities relaxed the limits of authority on reassignment by allowing units accepting demobilized cadres to directly take part in the work and select and appoint capable people. They also held all kinds of recommendation meetings to facilitate exchange and assignment of demobilized cadres with specialized skills.

Demobilized Army cadres, who had received second-class merit citation or higher honor, or had worked at the border or coastal defense areas for a long time, were given preferential treatment in the reassignment. According to incomplete statistics from 19 provinces, municipalities, and autonomous regions, more than 600 demobilized cadres who had received a second-class merit citation or higher honor, were given the job of their first choice in various localities. A number of demobilized cadres who had worked in the border or coastal defense areas for a long time were given jobs in large cities. At the same time, the localities also appropriated nearly 100 million yuan to build living quarters for the demobilized Army cadres and create good living and working conditions for them.

At present, more than 400 demobilized cadres' reception centers have been set up in 22 provinces, municipalities, and autonomous regions throughout the country to help demobilized cadres and their families start a new life.

AIR FORCE TO IMPROVE LEADING STYLE, WORK METHODS

OW280038 Beijing XINHUA Domestic Service in Chinese 1135 GMT 27 Dec 85

[By reporter Cai Shanwu]

[Text] Beijing, 27 Dec (XINHUA) -- "Improvement of leadership style is a major aspect of the work in rectifying party style. To improve leadership style, we must persist in seeking truth from facts and must neither exaggerate achievements nor conceal problems. It is imperative to be earnest and serious in solving problems and not shield our shortcomings." This is a demand that Zhu Guang, party committee secretary and political commissar of the Air Force, placed on leading cadres at all levels on behalf of the Air Force party committee at its enlarged session, which ended today.

Speaking on the question of conscientiously improving leadership style and work methods and successfully fulfilling various tasks, Zhu Guang pointed out that the issue of leadership style is one concerning the demonstration of our party spirit. In light of the actual situation of the Air Force, he stressed in particular the need to [words indistinct] the party's style of seeking truth from facts.

He said: The principle of seeking truth from facts must be reflected in our style of leadership and work methods. First and foremost, in implementing the instructions from the higher authorities it is necessary to take an attitude of seeking truth from facts. While instructions from higher authorities must be put into practice resolutely and earnestly, consideration must be given to the actual situation of the various departments. If the instructions were simply and indiscriminately passed on, [words indistinct] "message centers," the work would not be lively, and there would be no good results. Second, it is necessary to [words indistinct] the work of a unit or department by seeking truth from facts. There is no unit whose work is perfect. In fact, there are shortcomings as well as achievements. To a leader, what is especially important is to be sober-minded. He must neither exaggerate achievements nor conceal problems and must be serious and earnest in dealing with problems without shielding any shortcomings. He must constantly note the shortcomings, inadequacies and even mistakes in work. Only when the leader is adept at discovering problems and dares to face problems squarely, earnestly solve them, and report them to the higher authorities authentically is it possible to make continuous progress in work.

Now a bad practice is that some units make more reports on good news than on bad news, exaggerate small achievements and minimize big failures, or even report what is good and avoid reporting what is bad. To correct this bad practice, leading cadres at all levels have a very big responsibility. From now on, party committees at all levels should constantly check their own work to see if there is any inadequacy and error and should welcome criticism and supervision by the masses. Leading cadres and organs should encourage all comrades to report accurately what is going on. They should commend those who dare to expose problems and are bold in making self-criticism. At the same time, they should criticize and correct those who report only good news but not the bad. As for those who resort to deception and make false reports, once they are discovered, they should be earnestly investigated and seriously dealt with.

Zhu Guang said: The style of seeking truth from facts is also necessary in doing work and dealing with various matters. In doing actual work, we should make earnest efforts to ensure that no excessively high target is set in planning the work and "no uniformity in doing everything" is demanded. Whatever we are doing, we should not "stir up a wind" and rush headlong into mass action to satisfy the desire of creating a superficial vigorous scene.

When going down to PLA units to check their work, we should not only listen to reports and merely see what is good. We should also make more efforts to contact cadres and fighters and go to see the actual situation in grass-roots units. In addition, we should emphasize the real results of our work and see to it that the work can stand tests. In no way should we just be good in expressing our stand, write beautiful materials, and put forward a lot of measures and demands, while our actual work is quite a different story. Showing only a good outward appearance to the higher authorities is an act that aims at acquiring an empty reputation but results in real disasters.

NEW GUIDED-MISSILE ESCORT LAUNCHED IN SHANGHAI

OW290924 Beijing XINHUA in English 0914 GMT 29 Dec 85

[Text] Shanghai, December 29 (XINHUA) -- A new guided-missile escort equipped with the up-to-date electronic and arms systems was launched in Shanghai yesterday. Built by the Shanghai Hudong shipyard, the escort ship may be used for escorting fishing vessels and convoys and for carrying out patrol duties and support-landing and anti-landing operations.

YU QIULI INSPECTS PLA UNIVERSITY MEDICAL SCHOOL

OW290446 Beijing XINHUA Domestic Service in Chinese 1643 GMT 28 Dec 85

[Text] Guangzhou, 28 Dec (XINHUA) -- Yu Qiuli, member of the Political Bureau of the CPC Central Committee and director of the General Political Department, inspected the First Military Medical University today. During the inspection, he emphasized: We should train a large number of qualified personnel who know advanced science and technology and at the same time are willing to serve the people wholeheartedly.

After listening to a briefing presented by the leading cadres of the First Military Medical University, Yu Qiuli visited the Nanfang Hospital, a hospital affiliated to the university. It is the first PLA hospital open to the outside world. In recent years, the hospital has actively imported some advanced foreign technology and medical equipment, and has thus remarkably improved its medical service.

During the inspection, Yu Qiuli saw hospital staff and foreign experts operating imported advanced medical equipment together. He pointed out: We import advanced equipment and hire foreign experts to help us in order to master advanced foreign technology and train our own qualified personnel.

After the leading cadres briefed him on the achievements made by the school in scientific research this year, Yu Qiuli said: What kind of personnel should our schools train for the four modernizations? They should train personnel with both scientific knowledge and communist ideals. Of course, schools should teach students scientific knowledge, but they should also educate them to have lofty ideals, moral integrity, education, and a sense of discipline; help the students cultivate communist ideals; and turn the students into persons with skills and lofty ideals. If a person does not have lofty ideals, he will be unable to serve the people satisfactorily no matter how good his skills.

It is particularly important for us to emphasize the sense of discipline for the students. I hope that in the new year, you will continue to exert yourselves and train for the PLA and our country more qualified personnel who are good both vocationally and ideologically.

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MILITARY SCHOOL GRADUATES TESTED AT LAOSHAN FRONT

OW291431 Beijing XINHUA Domestic Service in Chinese 0150 GMT 29 Dec 85

[Text] Kunming, 29 Dec (XINHUA) -- More than 1,000 graduates of some military academies and schools have been rigorously tested in combat at the Laoshan front. More than 300 of them have been cited for meritorious service, and many have joined the CPC at the frontline. They have been lauded by the border guards as "models of young students of the 1980's."

These graduates have been sent for on-the-job training at the Laoshan front by their organizations. The combat life at the front has tempered their minds. They have new ideals and faith, and understand the interests of the motherland. They have dropped the airs of university students and striven to become brave warriors defending the motherland.

At his position, university student Nie Jianqing fought tenaciously, with ardent determination, to dedicate himself to the service of his country. Suffering from 17 wounds all over his body, he led his platoon to repulse more than 10 attacks launched by the enemy until he shed his last drop of blood. Upon hearing that there was a combat mission, Tibetan student Dong Zhigang, hospitalized after being wounded, returned to his position on the same day. He had joined a military school after graduating from the Nationalities College. Student Chen Zhenghao originally planned to go to the battlefield to win a combat medal. However, he was deeply moved by the selfless sacrifices made by other fighters who risked their lives on the battlefield, and decided to devote himself to the party and to do anything the party wants him to do. In the course of fighting he braved enemy fire 4 times to evacuate wounded soldiers, and more than 30 times he carried ammunition and materials to positions where fighting was fierce. He was cited for meritorious service. At the frontline, Zhang Yuansheng, who had joined a military academy after graduating from the physical culture department of the Beijing Teachers University, led his soldiers to smash more than 70 raids and attacks launched by the enemy. Wounded 4 times and with scars all over his body, he bravely dashed from a tunnel and led his soldiers to kill 10 enemy personnel, thus outstandingly accomplishing his combat mission.

At the frontline, where life is hard, the students have also used their rich knowledge and wisdom to encourage soldiers to overcome difficulties. They have organized poetry recitals where poems such as "Throwing Aside the Writing Brush and Joining the Army, My Determination Is To Become a Hero by Defending the Southern Frontier" and "Whipping My Horse, I Want To Advance by Leaps and Bounds, and, With a Gun in My Hand, I Dare To Smile at the Blue Sky" were recited to boost the soldiers' morale.

The students have also made use of the knowledge they acquired in college and at school to assist military units in drawing up operation plans, make valuable suggestions, and write combat analyses and academic articles. Most of the suggestions have been adopted to guide operations, and some of the suggestions have been complied into a book.

When he was acting platoon leader on some high point, student Zhao Dongsheng formulated a set of combat operations suited to reality, strengthened control over his position, built obstructions in front of the outpost, and organized a tight communications network, turning his position into an impregnable bastion. The enemy launched 21 large-scale offensives, 53 small-scale offensives, and raids by special agents, but they fled, leaving 89 dead. Not once could the enemy come near his position.

DEFENSE UNIVERSITY DEVELOPS SUPER-MICROCOMPUTER

OW300526 Beijing XINHUA Domestic Service in Chinese 0046 GMT 29 Dec 85

[By reporter Ma Kuijun]

[Text] Tianjin, 29 Dec (XINHUA) -- The University of Defense Science and Technology successfully developed a preprocessor [qian duan yu chu li ji 0467 4551 7315 5710 3810 2623], the Galaxy super-microcomputer for use on a computer capable of performing 100 million operations per second. The super-microcomputer was recently examined and certified for small-scale production by the Tianjin No 2 radio plant.

To bring its functions into full play, and reduce its operational costs in handling large-scale scientific and technological subjects and projects, the computer, capable of performing 100 million operations per second, needs a highly effective microcomputer to first calculate numerous data, before having the results fed in. The preprocessor was developed for this purpose. The Galaxy super-microcomputer, capable of performing 1 million operations per second, can use 7 computer languages and calculate as many as 32 figures. It can turn its limited storage into an unlimited assumed [xu ni 5711 2362] technological storage system, and troubleshoot. Its structure is simple, the cost of its hardware is low, and its size is only a quarter that of a medium-sized computer.

The Galaxy super-microcomputer can also be used for general purposes, such as calculating scientific projects, handling data and graphic information, and performing computer linkage.

LI PENG AT MEETING TO ISSUE PATENT CERTIFICATES

OW290419 Beijing XINHUA Domestic Service in Chinese 1620 GMT 28 Dec 85

[By reporter Tian Chuan]

[Excerpts] Beijing, 28 Dec (XINHUA) -- One hundred and forty-three patent applicants today received a patent certificate that is protected by the law. This was the first batch of patents protected by the "Patent Law of the People's Republic of China."

Fang Yi, Li Peng, Hu Qili, Yan Jici, Lu Dong, Yuan Baohua, and other leading comrades attended a meeting held in Beijing by the Chinese Patent Bureau to issue the first batch of patent certificates, and posed for a photograph with representatives of the patent recipients. Leading comrades presented patent certificates to the representatives of the patent winners, inventors, and designers amid the cheerful tune of the "March of Solidarity and Friendship."

Li Peng, member of the CPC Central Committee Political Bureau and vice premier of the State Council, spoke at the meeting. On behalf of the State Council, he extended his warm congratulations to the first Chinese and foreign units and individuals winning patent certificates issued by the PRC. He said: Patent law is an important law, and its implementation is an event of great significance. By implementing a patent law, China hopes to speed up scientific and technological progress and to encourage invention and creation. To realize our goals of the four modernizations, we must first rely on our policies, and second on science. To a great extent, production development relies on scientific and technological progress.

Li Peng said: Technological invention is a kind of labor achievement. It can be turned into productive force, and therefore has value for application. After entering the market, it becomes a special type of commodity, the therefore should not be used without compensation. I hereby reiterate, China has promulgated and implemented its patent law, and the Chinese Government will carry out the law seriously and strictly, protecting the rightful interests of patentees. According to the law, anyone using patented technologies must pay a certain amount in fees to patentees, and units with authorized patents should offer incentives to major inventors and designers. Li Peng called on governments at all levels all departments and units concerned, and the judicial departments to support patent work, publicize the patent law, and ensure the proper implementation of it.

SUPREME COURT OFFICIAL DISCUSSES PATENT LAW

OW300213 Beijing XINHUA Domestic Service in Chinese 1232 GMT 28 Dec 85

[Excerpts] Beijing, 28 Dec (XINHUA) -- China's first batch of patents was published today after being approved. For this reason, a XINHUA reporter has interviewed Ren Jianxin, vice president of the Supreme People's Court, on trying patent cases in the future.

Ren Jianxin said: The people's courts have completed preparations for trying cases involving patent disputes. The legitimate rights and interests of Chinese inventors or foreign inventors will be protected by Chinese law if their patent rights are applied and granted according to law in China. First, we have organized our judicial personnel concerned to conscientiously study the Patent Law, the regulations on implementing the Patent Law, and international conventions concerning patents. These personnel have mastered the characteristics and fundamentals of the Chinese Patent Law. Second, we have trained cadre adjudicators for handling patent cases. Acting on the recommendation of the Supreme People's Court, the people's courts responsible for trying patent cases have set up collegial panels to handle such cases.

He said: In accordance with the relevant provisions of Chinese law and in view of the specialized and international character of patent cases, the right to try such cases will be properly delegated to a small number of courts. The Supreme People's Court will have jurisdiction over patent case trials. The following cases will be prosecuted by people's procuratorates in accordance with the Criminal Procedure Law of the People's Republic of China and will come under the jurisdiction of the people's court of the area where the crime was committed: When cases involving infringement of patents are so serious that the criminal responsibility of the person directly responsible for it must be investigated according to the Criminal Law; when cases involving the arbitrary application for patents overseas and the divulgence of important state secrets in violation of Article 20 of the Patent Law are so serious that criminal responsibility must be investigated according to concerned provisions of the Criminal Law; when cases involving the practice of favoritism and engagement in irregularities by Patent Bureau personnel and other state functionaries are so serious that criminal responsibility must be investigated according to the relevant provisions of the Criminal Law. This division of jurisdiction is also applicable to foreign parties who file legal proceedings in China.

Ren Jianxin also told the reporter: In accordance with the relevant provisions of the Civil Procedure Law, a people's court may follow the following two steps when hearing a patent case: First, it may organize a collegial panel of judges to hear the case; the panel will decide the case according to the principle of the minority subordinating to the majority. Second, in handling cases involving complicated specialized technology, the court may adopt the system of adjudicators.

This means that some technicians who have specialized knowledge will be invited to form a collegial panel to hear the cases. With regard to patent law proceedings filed by and against foreigners in China, foreigners enjoy the same procedural rights and have the same obligations as Chinese citizens do. In dealing with patent cases involving foreigners, we will promptly, impartially, and rationally try them by strictly adhering to China's Constitution and laws, the treaties and agreements concluded between China and other countries concerned, and the international conventions that China has joined, or by observing international practice.

#### ST JOHN'S UNIVERSITY ALUMNI ASSOCIATION FORMED

OW291302 Beijing XINHUA in English 1252 GMT 29 Dec 85

[Text] Beijing, December 29 (XINHUA) -- St. John's University Beijing Alumni Association was set up at a meeting here this afternoon.

Rong Yiren, vice-chairman of the Standing Committee of the National People's Congress, was elected honorary chairman of the association, and Jing Shuping, member of the Standing Committee of the All-China Federation of Industry and Commerce, was elected chairman.

St. John's University was established by the Protestant Episcopal Church of the United States in Shanghai in 1879. Its schools included those of arts and science, civil engineering, medicine and agriculture.

The schools were merged into the East China Teachers' University and the Fudan University in 1952.

The St. John's University had about 10,000 graduates during 73 years. Most of them are now living in Shanghai, Beijing, Hong Kong, Taiwan and the United States.

Speaking at today's meeting, Jing Shuping said that the association aims to strengthen contacts among alumni both at home and abroad. Its Shanghai alumni association was set up at the end of last year.

#### PROGRESS IN SPACE TECHNOLOGY DEVELOPMENT VIEWED

OW291051 Beijing XINHUA Domestic Service in Chinese 1224 GMT 28 Dec 85

[By reporter Chen Zhiqiang and correspondent Sun Minqiang]

[Text] Beijing, 28 Dec (XINHUA) -- During the Sixth 5-Year Plan period, our country has successfully launched nine manmade earth satellites for various purposes and developed a carrier rocket capable of launching geostationary earth satellites, bringing China into the world's advanced ranks in space technology.

In the past few years, our country has launched space observation satellites, the "Dongfanghong No 2" geostationary communications satellite, and satellites for carrying out general land surveys. China has become one of the few countries in the world which has mastered the technologies for retrieving satellites, launching "more than one satellite with one rocket," and launching geostationary earth satellites. China's carrier-rocket and satellite technologies have developed from the exploratory and experimental stage to the application stage with the capability to launch applied satellites for foreign users.

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To consolidate national defense, our country has developed more new models of guided missiles in the Sixth 5-Year Plan period than in any of the previous 5-year plan periods. This has increased the real strength of our country's national defense.

The practical development of and experimental work on satellites and rockets has tempered and brought up a large number of competent professional workers. They are noted for their technological expertise, ability to do tough jobs, and adeptness in tackling key problems. The contingent of scientists and technicians working in the space field in our country has become a work force with the required composition of experts in various specialized areas. During the Sixth 5-Year Plan period, they have won as many as 4,742 scientific research awards.

To speed up the widespread application of space technology and products resulting from the development of this technology to national economic development, the Ministry of Astronautics Industry has in recent years made serious efforts to implement the principle of "combining military and civilian work" by going all out to develop the manufacture of products for civilian use and promote the transfer of military industrial technology to various units to be used for civilian purposes. It has sold its technological know-how and products to 29 provinces, autonomous regions, and municipalities across the country and has established economic and technical cooperation relations with some provinces and municipalities. As for cooperation and exchange with foreign countries, the Ministry of Astronautics Industry has carried out technical cooperation with and provided technical services to over a dozen countries in Europe, Asia, America and Australia. Each year has seen a considerable increase in the economic benefits produced by the space industry. The total profit made by the industry in 1985 was 2.75 times that in 1981. The launching of applied satellites and the wide application of space technology have produced very great economic benefits to society.

#### Report on Research Institute

HK290550 Beijing ZHONGGUO XINWEN SHE in Chinese 0225 GMT 24 Dec 85

[Report by ZHONGGUO XINWEN SHE reporters Dai Yaping and Zhu Daqiang: "A Visit to the China Space Technology Research Institute"]

[Text] The China Space Technology Institute lies in the quiet western suburbs of Beijing. Of the 17 satellites launched by China since 1970, 15 were born here, sent to the Jiuquan launch center and the Xichang launch center respectively and then skyward.

#### The First Singing Satellite

The China Space Technology Institute was established in February 1968. Before its establishment, there were just a few scattered research institutes in the Chinese Academy of Sciences and under the then Seventh Ministry of Machine-Building Industry. At that time, space technology was nearly 10 years behind that of the United States and the Soviet Union.

When the China Space Technology Research Institute was first established a large number of top Chinese space scientists and piece after piece of advanced test equipment were gathered from all sides at this cream-colored building. Work on researching and producing China's first satellite proceeded feverishly. The blueprint and mathematical data for the first satellite "The East Is Red No 1" launched by China originated here. This was a satellite capable of singing.

In the first 2 years, Chinese engineering and technical personnel successfully researched and turned out large thermal vacuum test equipment and overcame a host of technical problems, such as the musical quality of the composition "The East is Red," the release and development of shortwave antennas, the luminance and weight of observation aprons, the bright anodizing of the satellite skin, the gold-plating of the hood for the instrument cabin over vast areas, and so forth. Countless large and small tests, including space environment tests were completed. In 1970, China's first "beloved child" in space -- "The East Is Red No 1" -- was born at last. It was sent into orbit around the earth on 24 April the same year, emanating a beautiful melody.

#### Main Assembly Factory Set Up in Zhongguancun

The China Space Technology Research Institute is made up of well-equipped research departments, including electronic technology, machine-building, equipment and instruments, biomedicine, and so forth. It also has a main assembly factory in Zhongguancun. Satellite parts manufactured by many factories throughout the country are sent here. After the assembly of a satellite here, it must also undergo various tests and simulations. Each satellite has several thousand and even several tens of thousand of components. If there is trouble with a single component or line when a satellite is moving in space, the whole satellite may be written off as a loss. Therefore, each component sent here is subjected to strict testing.

#### Strict "Physical Checkup" Procedures

The room for the assembly of a satellite is kept at a constant temperature and is dust-free. Working personnel are admitted only after they change clothes and have all dust removed. When these reporters arrived, a newly assembled satellite in the hall was undergoing various functional tests. The hall was unusually quiet. We could see nothing but the endless glimmering of liquid crystal numbers. Test data was coming continuously out of the electronic computer. Experts involved in the test were all watchful, giving a final "physical checkup" to the satellite to be launched.

In the hall, the reporters saw components of the many satellites launched by China in the past. These satellites were then all produced in duplicate, one sent skyward and another kept on the ground. The satellites on display in the hall included the "The East Is Red No 1" satellite, a scientific experiment satellite, the "Yijian Sanxing" [0001 4628 0005 2502 "one arrow three stars"] satellite, and a communications test satellite. Here the reporters also saw several satellites produced here and brought back from space. From the mottled burns on the satellites, we could see how many trials they had undergone in space!

#### After the Policy of Opening Up

Two years ago, this main assembly factory, formerly shrouded in the greatest secrecy, began throwing its gates open. Astronauts and space experts from the United States, France, the FRG, Japan, Canada, and other countries have left their footprints here.

In the office of the president of the institute, the reporters met with President Sun Jiadong.

He holds the view that from 1970 to 1980, China's satellite technology underwent the three stages of "flying toward space," "returning to earth" and "launching stationary communication satellites." Now it has entered the stage of application from the test stage and has started playing an important role in the national economy.

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Sun Jiadong graduated from the Harbin Industrial College and studied in the Soviet Union. His involvement with satellites started in the 1950's. In the past 20 years, he has participated in China's repeated efforts in researching and producing satellites. He has also acted as the chief engineer of the Ministry of Space Industry and is now the vice minister of space industry.

Sun Jiadong holds that after 15 years of development, the China Space Technology Research Institute has gradually perfected the space vehicle research and production system made up of overall design, subsystem research and production, satellite launching, tracking, test control [ce kong 3261 2235], and other aspects. Sun Jiadong hopes that the China Space Technology Research Institute can enter into technical cooperation with foreign countries and join forces in researching, producing, and launching satellites, in order to contribute toward the development of the international space undertaking.

QIAO SHI AT TIANJIN RALLY TO COMMEND POLICEMEN

SK250318 Tianjin City Service in Mandarin 0030 GMT 25 Dec 85

[Text] On the afternoon of 24 December, a municipal rally was held at the cadre club to commend the best, the excellent, and the advanced traffic policemen and the 20 advanced party groups chosen by 110,000 dwellers in Tianjin. Qiao Shi, member of the Political Bureau of the CPC Central Committee, member of the Secretariat of the CPC Central Committee, and secretary of the Central Commission of Political Science and Law, attended the rally to extend his congratulations.

Also attending the rally were Gu Linfang, deputy secretary general of the Central Commission of Political Science and Law; Wu Zhen, deputy secretary of the Tianjin Municipal CPC Committee; and Yan Dakai, member of the Central Advisory Commission; as well as some leading comrades including Zhang Huaisan, Chen Yiyi, Zhao Jun, Shi Jian, Lu Xuezheng, Mao Changwu, Xiao Yuan, and Tan Songping. Xie Heng, adviser to the Ministry of Public Security, made a special trip from Beijing to participate in this rally.

At the rally, the decision on commending the 1985 excellent traffic policemen was read out and honorable certificates and certificates of merit were issued to the best, the excellent, and the advanced traffic policemen and to the excellent traffic party groups. Xie Heng, adviser to the Ministry of Public Security, spoke at the rally. On behalf of the Ministry of Public Security, he expressed his heartfelt thanks to the Tianjin people for their concern over building the public security ranks and their active participation in the appraisal activity. He also extended his warm congratulations to those traffic policemen who were conferred with glorious titles.

In his speech to the rally, Vice Mayor Lu Xuezheng pointed out: From now on we should further strengthen the building of the traffic police ranks, conscientiously implement the principle of strict administration over the police, continue to educate cadres and policemen with ideals and discipline and the idea of wholeheartedly serving the people, and strive to effect a turn for the better in police work style through the activity of choosing excellent traffic policemen. He also said: At present both the party and the people throughout the country must shoulder the task of struggling against evil trends. Traffic policemen should take the lead in this regard and make concerted efforts to improve the traffic order of the municipality, proceeding from every comrade, every party group, and every detachment of traffic police.

QIAO SHI, NI ZHIFU INSPECT PUBLIC SECURITY WORK

SK280401 Tianjin City Service in Mandarin 1430 GMT 27 Dec 85

[Text] On 25 December, Qiao Shi, member of the Secretariat of the CPC Central Committee, member of the Political Bureau of the CPC Central Committee, and secretary of the Central Commission of Political Science and Law, accompanied by Ni Zhifu, member of the Political Bureau of the CPC Central Committee and secretary of the Tianjin Municipal CPC Committee, went to the public security sub-bureau of Heping District in the municipality to carry out inspection work.

During his inspection, Comrade Qiao Shi stated: Since the struggle to deal stern blows to serious criminal activities was waged our country has achieved an obvious turn for the better in social peace. In 1986, we should make continuous efforts to deal stern blows to serious crimes, to do a good job in consolidating public security comprehensively, and to lay a good foundation for achieving a fundamental turn for the future.

DENG YINGCHAO VISITS ZHUHAI SPECIAL ECONOMIC ZONE

HK191306 Guangzhou Guangdong Provincial Service in Mandarin 0400 GMT 18 Dec 85

[Text] Deng Yingchao, chairman of the CPPCC National Committee, had a rest in and visited Zhuhai City from 30 November to 17 December. She encouraged the comrades in Zhuhai to build the special zone still better.

Comrade Deng Yingchao who is at the advanced age of 81, had visited the Zhuhai Special Economic Zone last year. She showed concern for special zone building. She came to the Zhuhai Special Economic Zone again this year. When she saw changes in the special zone, she was very happy. She said: Zhuhai is soaring and its prospects are very bright.

On 5 and 14 December, accompanied by Fang Bao, secretary of the Zhuhai City CPC Committee and Mayor Liang Guangda, Comrade Deng Yingchao went to visit the Zhongrui Watch Company Ltd and the Wanzai Huasheng Magnetic Tape Factory. During her stay in Zhuhai, Deng Yingchao also met Mr (Wu Zhaosheng), general manager of the Zhuhai Holidays Resort, and his wife and Mr Ma Wan-chi, president of the Macao General Chamber of Commerce, and his wife.

On 13 December, Comrade Deng Yingchao happily met the leading comrades of a Zhuhai City CPC Committee, the city People's Congress Standing Committee, the city government, the city CPPCC Committee, and the city Planning Committee. She hoped that the leading comrades of Zhuhai City would seriously study the documents of the National Conference of Party Delegates well and in the light of the characteristics and actual situation of the Zhuhai Special Economic Zone, practically and realistically do work well.

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GUANGDONG LEADER URGES RECTIFYING UNHEALTHY TRENDS

HK280245 Guangzhou Guangdong Provincial Service in Mandarin 0400 GMT 27 Dec 85

[Text] This morning, the Guangdong Provincial CPC Committee held a rally of cadres at and above bureau level to convey and implement the spirit of the circular of the General Offices of the CPC Central Committee and State Council on solving a number of serious current problems in organ work style. Provincial CPC Committee Deputy Secretary Wang Ning stressed in a report that the key to correcting unhealthy trends lies in uttering less empty talk and doing more practical work. The work is to be checked and grasped every day. In this way practical results can be achieved.

Comrade Wang Ning pointed out: The six types of problems pointed out in the central circular are fully applicable to the actual situation in Guangdong. As a result of rectifying the party and resolutely implementing the relevant central and provincial instructions, the party style in the provincial organs is continuing to improve, and some unhealthy trends have either been or are now being corrected. However we must clearly realize that very many problems still remain. Comrade Wang Ning gave some views in his report on how the provincial organs should implement the spirit of the central circular:

1. All cadres in the organs, especially the leading cadres, must seriously study the spirit of the central circular and fully understand the importance of straightening out organ work style.
2. The party committees at all levels must get a serious grasp on straightening out unhealthy trends. They should utter less empty talk and do more practical work.
3. It is essential to put forward specific measures and demands in light of the actual situation in each unit and do a thorough job in solving the problems. In accordance with the spirit of the central circular, the provincial CPC Committee and government have put forward specific regulations and demands regarding the relevant problems in light of the province's realities. Each unit must seriously implement them.
4. We must take the necessary organizational measures to firm up people's responsibilities and ensure the implementation of the spirit of the central circular. The provincial CPC Committee has decided to establish a 3-man group composed of Wang Ning, Wang Zongchun, and Yang Li to be responsible for this work. The provincial organs should also assign leading comrades to take charge of it.

Comrade Wang Ning stressed in conclusion: The discipline inspection organizations at all levels and the CPC Committee of the organs must step up inspection and supervisory work. They must deal seriously with people who neglect their duty, cover up, and submit false reports. Provincial CPC Committee Secretary Lin Ruo presided at the rally and made a speech.

CHEN HUIGUANG AT GUANGXI RECTIFICATION MEETING

HK210747 Nanning Guangxi Regional Service in Mandarin 1130 GMT 20 Dec 85

[Excerpts] A party rectification work conference convened by the Guangxi Regional CPC Committee, with the focus on eliminating generalization in party rectification, getting a good grasp of investigating and dealing with major cases, eliminating corruption, and further correcting unhealthy trends, concluded in Nanning on 19 December, after 3 days in session.

Chen Huiguang, secretary of the regional CPC Committee, and (Yuan Youmin), head of the Central South Inspection Group of the Central Commission for Guiding Party Rectification, made speeches. Ou Jiwen, deputy director of the regional CPC Committee's Party Rectification Office, delivered a summation.

(Yuan Youmin) focused on the importance and urgency of party rectification. He said: The current task is to build socialism with Chinese characteristics. The most fundamental thing in party rectification is to enable party members to understand that one is not a communist unless one pursues socialism. Through rectification, our leading organs and party members should seriously check to see which parts of our work in recent years have accorded with socialism and which have not, and which are unhealthy trends. In this way we can enhance our awareness and understanding, and we will be able to resist certain defects that have emerged in opening to the world, invigorating the domestic economy, and developing a commodity economy, and totally eliminate unhealthy, that is, unsocialist, trends. We can thus reach our goal of uniting as one and invigorating China.

Ou Jiwen said in his speech: Party rectification in Guangxi has improved with each stage and each group. However, the development has not been balanced enough. A large proportion of units have carried out rectification in a generalized way. Hence, units that have completed rectification must solve the problem of generalization while carrying out their review, and units now conducting rectification must eliminate this problem.

He pointed out, in carrying out a review of rectification it is necessary to look at the following issues: 1) How the units have performed in studying, understanding, and implementing the spirit of the National Conference of Party Delegates; 2) whether the relationship between party rectification and reform has been handled well; 3) whether all major and important cases have been investigated and dealt with; 4) whether new unhealthy trends and corruption have been eliminated; 5) whether education in party spirit and in ideals and discipline has been conducted well; 6) whether there has been slackness and excessive leniency in party member reregistration; 7) whether a new situation has been created in work as a result of party rectification.

Comrade Chen Huiguang demanded that the region seriously sum up party rectification work, eliminate generalization, get a good grasp of investigating and dealing with major and important cases, eliminate all corruption, further correct unhealthy trends, guarantee reform and promote economic invigoration through rectification, and bring about a transformation in Guangxi ahead of others.

Chen Huiguang said: Guangxi has already carried out two stages of party rectification. Generally speaking, these have been successful. However, party rectification in quite a large number of units has been done in a generalized way. This means that the standards set have not been high, the demands have not been strict, and the outstanding problems that urgently need solving have not been solved.

In order to overcome generalization in party rectification work, Comrade Chen Huiguang demanded that the following tasks be seriously grasped well:

1. Implement in party rectification work the spirit of the National Conference of Party Delegates and strengthen leadership over rectification.
2. Consider straightening out party style as a priority in party rectification.

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3. Step up ideological and political work, focused on education in party spirit, style, and discipline.

Chen Huiguang said: It is necessary to include eliminating corruption in the organs as an element of party rectification and regard it as an important issue in straightening out party style. Leading organs and cadres must set a good example. At present we must in particular resolutely curb malpractices of buying and exchanging imported cars, indiscriminately sending people on trips abroad, wasting public funds on extensive travel, extravagance, and giving banquets and presenting gifts.

Comrade Chen Huiguang said: The problem of cadres illegally buying and selling land and violating regulations by occupying land to build houses is quite prominent in Guangxi, especially among cadres and organs at the county level. We must regard this problem as a target for party rectification, correction of unhealthy trends, and elimination of corruption. All those who violate the regulations must make restitution and be dealt with resolutely.

On rural party rectification, Chen Huiguang said that the region is now organizing pilot projects in rectification in the townships and towns. The view of the regional CPC Committee is that rectification at that level can be generally launched after the Spring Festival.

He stressed: Rectifying the party and correcting party style are necessary to create conditions for reform and economic construction, promote reform and ensure its smooth progress, and spur economic construction. We must resolutely implement the spirit of the National Conference of Party Delegates, and build the two civilizations together. Party committees must resolutely grasp both reforms and economic work.

HAINAN MEETING URGES CRACKING DOWN ON SMUGGLING

HK280618 Haikou Hainan Island Service in Mandarin 0400 GMT 28 Dec 85

[Excerpts] From 25 to 27 December, the Hainan Regional People's Government held a meeting on cracking down on smuggling in the Han area. This year the leaders and anti-smuggling departments at all levels in the region have corrected their guiding ideas for professional work and further enhanced their understanding and grasp of policy regarding the struggle against smuggling. A large number of cases have been discovered and investigated.

The meeting pointed out that although a certain degree of success has been achieved against smuggling in Hainan, the task is long-term, complex, and arduous. At present the smuggling problem is particularly conspicuous in enterprises, undertakings, and other units; there is a continual increase in major cases; and smuggling activities are concentrated in the three channels of imports and exports, seaborne smuggling, and bogus donations and presents. There is a great variety of goods being smuggled.

To further improve efforts to combat smuggling, the meeting demanded that the departments concerned focus on the following tasks: 1) Regard major smuggling cases as the main task of customs' antismuggling work; 2) correctly distinguish between what is smuggling and what is not; 3) launch in-depth investigation and study of antismuggling intelligence and strive for still greater initiative in the struggle; 4) continue to strengthen and expand the investigative forces and customs equipment, and improve the ability of customs to crack down on smuggling. It is also necessary to launch propaganda work and launch and organize the masses to ceaselessly wage the struggle against smuggling.

HUBEI PEOPLE'S CONGRESS STANDING COMMITTEE MEETS

HK231418 Wuhan Hubei Provincial Service in Mandarin 1100 GMT 20 Dec 85

[Text] The 18th meeting of the 6th provincial People's Congress Standing Committee concluded in Wuchang this afternoon. During the meeting, the committee members seriously examined, discussed, and adopted the Hubei provincial regulations on the protection and management of cultural relics. The committee members also initially examined and discussed the Hubei provincial draft regulations on caring for rural households enjoying the five guarantees. The meeting decided that in coordination with government departments concerned, in accordance with the views and suggestions put forward by committee members, and after seeking the views of all places and quarters, the Legal System Work Committee of the provincial People's Congress Standing Committee would revise the draft regulations. The meeting also adopted the Wuhan City regulations on public security work in organs, organizations, schools, enterprises, and institutions; the decision on the establishment of the Nationalities Work Committee of the Hubei Provincial People's Standing Committee; and the decision on the recall of (Huang Hantao) as a deputy to the Sixth NPC.

In accordance with Chairman Han Ningfu's proposal and request, the meeting decided to appoint Shi Chuan concurrently as the chairman of the Nationalities Work Committee of the provincial People's Congress Standing Committee. The meeting decided to appoint Yang Yucai as the director of the provincial Judicial Department and to discharge (Wang Baoming) from the post of director of the provincial Judicial Department. The meeting also adopted other appointments and removals.

Yesterday afternoon's full meeting was presided over by provincial People's Congress Standing Committee Chairman Han Ningfu. Attending the meeting were Provincial People's Congress Standing Committee Vice Chairmen Li Fuquan, Zhang Xiulong, Tao Shuzeng, Jiao Dexiu, Tang Zhe, Zhang Jinxian, Shi Chuan, Li Musen, Chu Chuanyu, Wang Zhizhou, and Lin Shaonan. Attending the meeting as nonvoting delegates were Ma Liang, president of the provincial Higher People's Court; and responsible persons of the provincial People's Government, provincial People's Procuratorate, government departments concerned, and all prefectural, city, and autonomous prefectural people's congress standing committees.

To strengthen the nationalities work of the provincial People's Congress Standing Committee and to guarantee and promote the smooth progress of socialist modernization of all nationalities in our province, the 18th meeting of the 6th provincial People's Congress Standing Committee today adopted a decision on the establishment of the Nationalities Work Committee of the Hubei Provincial People's Congress Standing Committee. The Nationalities Work Committee is an administrative body of the provincial People's Congress Standing Committee. It will carry out its work in accordance with the decisions of the provincial People's Congress Standing Committee. Shi Chuan was concurrently appointed the chairman of the Nationalities Work Committee and Ma Weiqing, (Guan Zhifang), (Xiang Yanguang), (Zhang Zhengming), (Guo Xionglou), and (Peng Yingning) were appointed committee members.

The 18th meeting of the 6th provincial People's Congress Standing Committee today adopted a decision on the recall of (Huang Hantao) as a deputy to the NPC and on making a report to the NPC Standing Committee for the record. (Huang Hantao), aged 28, is a native of (Wangjian) Township, Anlu County. He played an active role in the development of grain production, fisheries, and transportation. He was elected a deputy to the Sixth NPC in 1983. After (Huang Hantao), was elected an NPC deputy, his selfishness sprouted and he became obsessed by a lust for money.

In July 1984, he unlawfully resold to a company in a certain county in Shandong Province the quota for a Dongfeng 140 motor vehicle allocated to him and sought a profit of 10,500 yuan from this resale. In February this year, under the pretext of building his house, (Huang Hantao) bought 3 tons of rolled steel at the price stipulated by the plan and later unlawfully resold them at a higher price, an ill-gotten gain of some 2,300 yuan. The Anlu County People's Congress Standing Committee recently proposed the recall of (Huang Hantao) as an NPC deputy. The 18th meeting of the 6th provincial People's Congress Standing Committee examined and discussed this proposal, held that (Huang Hantao's) unlawful resale of the motor vehicle and rolled steel to illegally seek profits had been a very bad influence among the masses and that he had already forfeited his position as a people's deputy, and decided to recall him.

#### HUNAN HOLDS SYMPOSIUM ON PARTY WORK STYLE

HK231502 Changsha Hunan Provincial Service in Mandarin 1100 GMT 21 Dec 85

[Text] The provincial symposium on exchanging experience in straightening out party work style, which concluded yesterday, stressed that so long as all party members participate in the work, the secretaries personally handle the work, the party organizations at various levels assume their responsibilities, and the departments co-ordinate the work, we shall certainly make a fundamental turn for the better in the party work style.

The symposium was convened by the provincial Discipline Inspection Commission on 17 December. During the meeting, Mao Zhiyong, secretary of the provincial CPC Committee, made an important speech. At the meeting, some 14 units, including the Chenzhou Prefectural CPC Committee, Yueyang City CPC Committee, Lixian County CPC Committee, Xiangyin County CPC Committee, the leading party group of the Xinhua County People's Procuratorate, and the leading party group of the provincial Financial Department, introduced their experiences. Generally speaking, their experiences can be summed up into four points:

First, they unswervingly managed to make the whole party straighten out the party work style in an all-round way. Second, they firmly grasped the issues of basic importance and resolutely educated the party members on party spirit. Third, they were bold in tackling tough issues, and seriously dealt with cases of violating discipline and law. Fourth, they possessed a contingent of discipline inspection workers who are upright and never stoop to flattery.

At the closing session, Shi Xinshan, secretary of the provincial Discipline Inspection Commission, delivered a summation. He said: The responsible comrades of party committees at various levels must personally handle the work and further the practice of grasping of the party work style by the whole party. They must succeed in separating party work from that of the government. The party committees, as well as the principal leaders, must spend more time and effort on building spiritual civilization and party work style. Shi Xinshan stressed: When straightening out party work style, we must firmly grasp the focus, that is the leading organs and leading cadres. Setting strict demands, we must strengthen education on party spirit and the work of investigating cases. At the same time, cadres of the Discipline Inspection Commission at various levels must devote themselves to the work, and make contributions to achieve a fundamental turn for the better in the party work style.

The symposium was attended by responsible comrades of various prefectures, autonomous prefectures, and cities; various units directly under the provincial authorities; and prefectural Discipline Inspection Commissions.

SICHUAN REPORTS DEATH OF FORMER LEADER DU XINYUAN

HK290255 Chengdu Sichuan Provincial Service in Mandarin 2300 GMT 28 Dec 85

[Excerpts] Du Xinyuan, an outstanding member of the CPC, a loyal communist fighter, an outstanding leading cadre in the party in Sichuan, a delegate to the Fourth, Fifth, and Sixth NPC, former secretary of the Sichuan Provincial CPC Committee, and chairman of the provincial People's Congress Standing Committee, died of illness in Chengdu at 0202 on 18 December. He was 78.

Hu Yaobang, Zhao Ziyang, Peng Zhen, Xu Xiangqian, Tian Jiyun, Yang Shangkun, Yu Qiuli, Deng Liqun, Wang Zhen, Bo Yibo, Li Jingquan, Duan Junyi, Chang Zihau, Yan Jici, Kang Shien, Zhang Aiping, and Chen Yeping, Liao Zhigao, Zhao Cangbi, Liu Xiayao, Wang Lei, Wu Xinyu, Luo Guibo, Du Xingyuan, Hu Keshi, Zhang Jiafu, Zhao Lin, Bai Rubing, Xue Ming, Qian Min, Song Richang, Liao Jingdan, Yang Xizong, Wu Jinghua, and Yangling Doje sent wreaths.

On the morning of 28 December, leading comrades of the party, government, and Army in Chengdu including Yang Rudai, Li Shuo, and He Haoju; members of the Central Advisory Commission in Chengdu Tan Qilong, Lu Dadong, Ren Baige, and Tian Bao; and Central Discipline Inspection Commission members Yu Shusheng, Xu Mengxia, and Zhang Lixing bade a collective farewell to Comrade Du Xinyuan and comforted his relatives.

During the 10 years of internal disorder, Comrade Du Xinyuan was savagely persecuted by Lin Biao and the gang of four and charged with all kinds of crimes. He was locked up for a total of 5 years and was subjected to severe physical and mental suffering. In 1976, when the gang of four were running rampant, with Comrade Du Xinyuan's support, SICHUAN RIBAO refused to print an article by Liang Xiang, instead headlining an article mourning the death of Premier Zhou.

Du Xinyuan and other leading comrades also protected the urn containing the ashes of Comrade Peng Dehuai, at very great risk to themselves.

YUNNAN RIBAO ON CONTINUING PLANNED PARENTHOOD WORK

HK290702 Kunming YUNNAN RIBAO in Chinese 11 Dec 85 p 1

[Short commentary: "Continue To Get a Good Grasp on Planned Parenthood Work"]

[Text] Owing to our efforts over the past few years, our province has made fairly great achievements in planned parenthood work. From 1974 up to this year, the number of babies born has dropped by more than 2.2 million. This is an important guarantee for economic development and the improvement of the people's standard of living in our province. However, we should also realize that with the development of our economy, some new problems have occurred in our understanding. Some comrades thought that "since we have sufficient grain and money now, we may have more children." Leadership over planned parenthood work has thus been relaxed. Some comrades have only grasped economic development, but have failed to grasp, or pay sufficient attention to, population growth. In a small number of areas, there is again a tendency toward population growth. CPC committees and governments at all levels should pay attention to these problems.

Practicing planned parenthood is an important strategic measure aimed at controlling population growth, developing production, and enhancing people's material and cultural life. It is our country's basic national policy.

If population growth is excessively rapid, or even out of our control, it will inevitably have a direct impact on our economic development. This is a summation of historical experience. The National Conference of Party Delegates pointed out: The living standards of our people will be enhanced from the present level of having enough food to eat and clothes to wear, to a comfortably well-off level. We are now striving to attain this magnificent goal. Judging from the situation in our province, we know that during the Sixth 5-Year Plan, our province made great achievements in economic construction and social development of the whole province. However, for historical and other reasons, compared with other advanced regions, our province still has a long way to go. Generally speaking, some areas in our province inhabited by 10 million people have not yet thoroughly rid themselves of poverty. The problem of having enough to eat and sufficient clothes to wear for 4 or 5 million people has not yet been completely solved. During more than half of the past 30 years or so, population growth exceeded the growth of grain output. The net population growth was about 400,000 each year. The natural population growth rate of our province is also higher than the average of the whole country. Therefore, it is the key task of all our work to continue to vigorously promote economic construction so that our provincial economy will develop in a sustained, stable, and coordinated way. In the meantime, we should continue to conscientiously grasp planned parenthood work to effectively control population growth. Only thus can we ensure that we will be able to attain the arduous goal of quadrupling the annual gross industrial and agricultural output by the end of this century.

It is necessary for leaders at all levels to study again the guiding principles and policies of the central authorities for planned parenthood work. They should understand the importance of the planned parenthood work from the high plane of attaining the strategic goals of the 12th CPC National Congress and building socialism with Chinese characteristics. Although some stipulations can be properly readjusted in the light of practical conditions in different periods, planned parenthood work should be persistently grasped. There is no doubt about this. Various localities should conscientiously review and sum up their achievements, experiences, and existing problems in planned parenthood work over the past few years. They should bring planned parenthood work in line with the agenda of the CPC committees and governments and devise effective measures. They should grasp this work firmly and efficiently.

I. 30 Dec 85

PRC REGIONAL AFFAIRS  
NORTH REGION

R 1

RURAL BUSINESSES SPRING UP IN NEI MONGGOL

OW272108 Beijing XINHUA in English 1656 GMT 27 Dec 85

[Text] Hohhot, December 27 (XINHUA) -- Rural industrial businesses, which are springing up all over Inner Mongolia, now employ 400,000 people, twice the 1978 figure, a regional official said here today.

There are now 128,000 of these enterprises, and they produced 1.1 billion yuan worth of goods in the first nine months of this year. This accounted for a quarter of the region's total rural and animal husbandry output value, said the official. Rural industry's total output value has risen by an average of more than 100 million yuan a year since 1979.

Peasants and herders have raised 100 million yuan themselves this year to set up businesses involved in mining, building materials, transport, tool manufacturing and food processing. Rural industrial businesses have turned over to the state more than 38 million yuan in taxes this year, three times the amount the state provided in financial aid to help establish them.

Many of the businesses are now providing cash aid for farm production and animal husbandry.

QIAO SHI, NI ZHIFU ATTEND TIANJIN CPC PLENUM

SK290329 Tianjin City Service in Mandarin 1430 GMT 28 Dec 85

[Text] The Fourth Tianjin Municipal CPC Committee held its fourth enlarged plenary session from 25 to 28 December. At the session, participants deeply studied and implemented the spirit of the National Conference of Party Delegates and discussed and adopted the main points of the 1986 work of the municipal CPC Committee. The session also adopted a plan for mobilizing the people throughout the municipality to unite as one in struggle in order to consolidate and develop the excellent situation, to realistically and successfully accomplish work in 1986, and to make a good start in achieving faster progress in building the socialist modernization during the implementation period of the Seventh 5-Year Plan.

Comrade Qiao Shi, member of the Political Bureau of the CPC Central Committee and member of the Secretariat of the CPC Central Committee, who is in Tianjin on an inspection tour, attended the session and delivered a speech.

Comrade Ni Zhifu, secretary of the municipal CPC Committee, delivered a summing-up speech in concluding the session this afternoon.

On 26 December, Comrade Li Ruihuan, deputy secretary of the municipal CPC Committee and mayor of the municipality, delivered a report on behalf of the municipal CPC Committee at the session entitled "Work Together and Strive To Consolidate and Develop the Excellent Situation in Tianjin."

I. 30 Dec 85

C H I N A  
PRC MEDIA ON TAIWAN AFFAIRS

U 1

BEIJING RADIO URGES TAIWAN TO EASE TRAVEL BAN

OW290915 Beijing in Mandarin to Taiwan 1500 GMT 27 Dec 85

[Commentary by (Zhong Min): "May Relatives Reunite in Their Own Homes"]

[Text] Among the 1 billion people in our country, there are thousands upon thousands of families whose members have long been separated by the Taiwan Strait. These compatriots love their homeland and long for a family reunion. Toward the end of the year, knowing that another year will soon be over and they will be 1 year older, they particularly have a longing for a family reunion. However, they cannot help but regret that the reunion is still not forthcoming. Who does not want to see an early reunion of those family members separated by the Taiwan Strait?

It is gratifying to know that the Taiwan authorities now have tacitly consented to let old people from the mainland visit their relatives in Taiwan. Nevertheless, it is regrettable that only those 70 or older are allowed to visit Taiwan. Just think: There are several tens of thousands of Taiwan compatriots residing on the mainland, and most of them came to the mainland in the late 1940's and early 1950's, after Taiwan's retrocession to China. They are around 60 years old, and their folks in Taiwan should be around 80. If they have to be 70 or older to be permitted to visit their relatives in Taiwan, they will have to wait another 10 years. Dear listeners, what do you suppose the situation will be like then?

Moreover, there are millions of mainlanders residing in Taiwan, many more than Taiwan compatriots on the mainland. They have an even stronger wish to visit their home-towns and relatives on the mainland. The people's government on the mainland has opened its door to them, and welcomes them to come back and visit at any time.

Taiwan's WEN-I journal in 1984 published a story entitled: "Home." It was about a retired military officer from Shaanxi who was determined to visit his relatives on the mainland. His daughter from his second marriage in Taiwan also wanted to come along to visit the Chang Jiang, the Huang He, and the Great Wall, and to offer sacrifices to her ancestors. When his brother-in-law asked him not to take the risk, the retired military officer said with emotion: My mother is already 82. My son has not seen his grandfather since his early childhood. What would you do if you were me. His words fully convinced his brother-in-law. Thus, at its end, the story puts forward an expectation of tomorrow. The story about the family across the Taiwan Strait not only reflects the destiny of one family, it is a portrayal of the miserable separation suffered by thousands upon thousands of families. It indeed makes people think.

Dear listeners, the world of the 1980's is an open world. The people on both sides of the Taiwan Strait have opened up an indirect road to meet with their relatives. Taiwan movie actress Yang Hui-shan, winner of the Golden Horse Prize, recently reunited in Hong Kong with her elder brother and a dozen of her family members from the mainland. There are more and more such family reunions in various parts of the world between relatives who are separated by the Taiwan Strait. However, those fortunate ones are after all a very small part of the separated people. Moreover, it is indeed regrettable that the reunion can only take place in a foreign land.

The obstacles to reunion between relatives on both sides of the Taiwan Strait violate the traditional ethical principles of the Chinese people. We hope that the Taiwan authorities ease the restrictions on visits between our compatriots across the Taiwan Strait and give people on both sides of the strait freedom to visit their relatives at an early date, allowing them to reunite at their own homes in Taiwan or on the mainland.

COMMENTARY VIEWS XINJIANG STUDENT PROTEST

OW271413 Taipei CNA in English 1348 GMT 27 Dec 85

[Text] Taipei, Dec. 27 (CNA) -- The following is today's commentary by the Broadcasting Corporation of China in Taipei entitled "Sinkiang Students Protest." Several hundred students from Sinkiang staged a demonstration in Peking and Shanghai the other day in protest of the regime's using their homeland as a nuclear test ground. Despite the Communist authorities' assurances that the tests did no harm to the local population, the Sinkiang students have ample reason to be angry.

The fact is that the Chinese Communist regime has been using Sinkiang not only as a nuclear test ground but is also turning the region into a nuclear waste dumping ground and a penal colony. Up to late 1980 Peking had conducted 31 open air nuclear tests at the Lop Nor test site in Sinkiang and has since conducted a number of underground tests. Denials notwithstanding, these tests have caused many casualties among the participating workers and military personnel. How much damage the test have done to the people and the environment in the region has remained a secret.

A group of scientists and technicians who took part in Peking's first nuclear test at Lop Nor in 1964 distributed handbills in Peking a few years ago to complain about the physical harm they suffered. The victims disclosed that more than a dozen of their fellow workers died of overexposure to radiation because the protective clothing they wore was of substandard quality. Military surgeons at the Canton military region also disclosed that a large number of military personnel taking part in the Lop Nor nuclear tests also suffered overexposure and were hospitalized together in a military hospital to prevent leakage of the accident.

On November 5 this year, the HSINHUA NEWS AGENCY admitted that many nuclear scientists and engineers who took part in Red China's nuclear program were killed by radiation because of inadequate protective facilities. To rub salt to the wounds, the Chinese Communist regime has agreed to store several hundred tons of nuclear waste from West Germany in Sinkiang in return for nuclear reactors. The nuclear waste is more than a time bomb because its threat to health will last for centuries.

Furthermore, Sinkiang has also become part of Red China's gigantic penal colony. Common criminals as well as political prisoners numbering by the tens of thousands are sent to Sinkiang annually to work in concentration camps and collective farms. The Chinese Communist regime has also been forcing people in the more populous provinces to emigrate to Sinkiang. The policy has not only caused untold hardships among the new settlers but also given rise to increasing frictions between the new immigrants and the ethnic minorities in Sinkiang. Like Tibet and the rest of the Chinese mainland, Sinkiang will continue to groan under the Communist rule until the return of democracy.

CHIANG CHING-KUO'S CONSTITUTION DAY SPEECH

OW291345 Taipeï CHINA POST in English 26 Dec 85 p 12

[Text] President Chiang Ching-kuo, in his speech to the annual Constitution Day Ceremony of the national assemblymen, reiterated that the next president will be elected in accordance with the Constitution and he "can't be and won't be" any member of the Chiang family. He also stressed that the government will never be governed by the military.

The president also noted that though his physical strength today is not so good as it was in the days when he was leading the Cross-Island Highway in the 1950's and the Ten Major Construction projects in the early 70's, "his determination and confidence to serve the country and the people have increased with the progress of the years."

The following is the full text of President Chiang's speech:

Honorable Members of the National Assembly:

It has been 74 years since Dr Sun Yat-sen founded the Republic of China, and it has been 40 years ever since the victory of the resistance war against Japan under the leadership of the late President Chiang Kai-shek, which led to the retrocession of Taiwan to its motherland. During this period, we have experienced both success and setback, but our goal and direction to fight for the realization of the Three Principles of the People have never changed, nor will they ever change in the future.

For your untiring efforts to safeguard our Constitution and to implement constitutional democracy, I wish to extend to you, honorable members, my esteem and appreciation.

#### Several Misfortunes

Entrusted by you honorable members, I assumed the office of the 7th Presidency of the Republic of China one and a half years ago. Although I have been trying by best in my position, there have been several misfortunes that brought about distress to our country and our people during this period, some of them caused by nature, others the result of human error, and I have been disturbed. I will, nevertheless, continue to work hard with perseverance and determination to overcome all adversities and to bring about a bright future for our country in the days to come. It is my earnest hope that all of you will cherish the faith of our victory in the anti-communist struggle and success in the recovery of the mainland; that is, the Three Principles of the People will definitely succeed and communism is doomed to failure.

What is most important today is that we must further uphold our internal solidarity, that is to say, we must have mutual trust, mutual assistance, and mutual understanding. At the same time, we must abide by the law, keep in line with our duty, and adhere to discipline. The basic spirit of the ruling party, the Nationalist Party of China, is sincerity and diligence. If we will only carry out this spirit, we will certainly be able to accomplish the mission to reunify China under the Three Principles of the People.

#### Two Questions

Now, I would like to make two questions clear:

The first question is the succession to the presidency. This sort of question only exists in despotic and totalitarian countries. It does not exist in the Republic of China, based on its Constitution. So the next president will be elected in accordance with constitutional procedure by the National Assembly on behalf of the people. Some people may raise the question whether any member of my family will run for the next presidency. My answer is: it can't be and it won't be.

The second question is whether there is any possibility that our country will be governed by the military. My answer is: it can't be and it won't be. The ruling party has always steered a course based on democracy, liberty, and equality; we will never deviate from the Constitution. Likewise, there can't be any kind of government run in contravention to the Constitution.

In early 1949; Mao Tse-tung put forward an "Eight-Point Proposal for Peace Talks" to our central government. One of them was to "abolish the Constitution," and another was to "deny the legitimacy of the Republic of China." The late President Chiang Kai-shek resolutely rejected these proposals.

When our central government moved to Taiwan, the late President Chiang Kai-shek resumed the office of the Presidency and declared that the direction of government endeavor would be aimed at rebuilding the Republic of China embodied in the ideals of the Three Principles of the People. Today, we are doing our utmost toward this goal. In short, economically, we seek development and equitable distribution of wealth so as to narrow down the gap between the rich and the poor; politically, we work to ensure harmony and stability, and focus on the elimination of corruption and special privileges.

#### ROC's Destiny

The destiny of the Republic of China and of the National Assembly is inseparable. The existence of the National Assembly stands for the legitimacy of the Republic of China. As long as we unite and march forward, we will surely extend the constitutional democracy of the Republic of China to the Chinese mainland.

I am aware that my physical strength today is not quite the same as in the days when I was engaged in building the East-West Cross-Island Highway (in the 1950's) and the ten major construction projects (in the early 1970's). But my determination and confidence to serve my country and my people have increased with the progress of the years. And I hope this will be a matter of gratification to you.

My best wishes for your good health, and for the bright future of the Republic of China!

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31 December 1985



